TOWARDS A STRATEGY FOR CULTURAL ENTERPRISE DEVELOPMENT IN PRINCE EDWARD ISLAND

Report of the Interdepartmental Study Committee on Cultural Industries • February, 1985

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I. INTRODUCTION

1. Island Culture

Culture is not a vague, élitest, or particular by-product of society, rather it is the very spirit and inner workings of society itself, our collective experience as a people over time. But people must live somewhere. Consequently, culture also assumes a sense of place, and therefore the truly cultured person is the embodiment of a particular geography, historical development, language, and traditions and values. Even though we do not always remain faithful to, or outwardly manifest, this cultural inheritance, it is difficult to deny. We carry it on our lips, in our literature and art, and as a natural attraction for that way of life closest to being a continuance of the past.

Prince Edward Island, on the basis of this definition, possesses a unique regional culture within Canada. We are, to borrow the Ernest Hemingway phrase, a small "Island in the stream", a tiny human habitat caught in the forceful currents of a North American economic and technological revolution, one which threatens our traditional cultural uniqueness but also offers splendid opportunities that must not be ignored.

Many of these opportunities lie in the field of information exchange and communications, and with the dissemination of indigenous cultural content designed to reinforce the Island as a confident, resourceful and productive society.

2. Cultural Enterprise and Industry

Traditional and contemporary Island culture is expressed in part through the work of the artist. This cultural expression, or content, has its own intrinsic value. It should be nourished and supported and an appropriate environment created, even though culture itself is not easily developed. However, many primary cultural products, such as books, films, paintings and handcrafted articles, can be easily reproduced and marketed with value added,

thus creating industrial activity. Moreover, a unique cultural product like a stage play can be presented repeatedly to new audiences, also adding economic value to the initial production.

While the arts have been supported directly for many years and are generally perceived to be an appropriate area for public support, cultural industries have tended to fall somewhere between traditional arts funding and traditional economic development incentives targeted primarily at manufacturing activities.

This study is not aimed directly at supporting arts or cultural development, rather it is more closely aimed at creating a more positive climate for arts and cultural development. Cultural industries are essentially the marketing mechanism through which artistic or cultural products are merchandized to the public, thus creating a strong market "pull" on production; and secondly, cultural industries have a significant economic and job creation potential in themselves.

The acid test of whether an activity is a cultural enterprise or industry should be that it takes a cultural output or product and adds further value to it, creating increased demand for the product and economic activity in the process. The Committee has also determined that primary emphasis will be placed on those activities which traditionally have not been adequately served by public programs.

For the purposes of this study cultural enterprise and industry has been defined as:

- Publishing (books and periodicals)
- Films and Videotape
- Sound Recording
- Crafts
- Performing and Visual Arts

Cultural enterprise and industry is an important part of the Island's economy, but with few exceptions is probably under valued from the economic development perspective. Activities in the cultural sector tend to be small scale, community based, labour intensive, and result in both direct and indirect economic benefits to the province. Some, such as crafts, and the performing arts, have strong linkages to tourism and other Island industries.

3. Committee Mandate

On September 1, 1983 the Chairman of the Prince Edward Island Council of the Arts, Mr. Larry Leclair, wrote to the then Minister of Industry, Hon. Patrick G. Binns, requesting assistance to undertake a study of cultural industries on Prince Edward Island.

> "There is general consensus among all pertinent organizations and support agencies that the time has come to lay down the framework, establish the policy guidelines that will allow us to make up for lost time and move forward in future with a clear sense of where we are heading, what decisions are in keeping with that policy, and with a new, energetic approach to an industrial sector that cannot keep from expanding in the years to come."

The Minister of Industry replied on October 13, 1983, welcoming the Arts Council's priority interest in cultural industries, pointing out past achievement, and proposing that Government conduct its own study to determine appropriate future action:

> "Rather than commissioning a private study which would be delivered to Government at some time in the future, I am proposing the establishment of an inter-departmental steering committee which would be charged with consulting all concerned private sector interests, developing policy options and presenting these to Cabinet for action. I believe this type of framework will best ensure that the views of your Council are heard and result in concrete action."

An interdepartmental steering committee was appointed in March, 1984 comprised of representatives from the Department of Industry, the Department of Community and Cultural Affairs and the Department of Education.

Terms of reference for the Committee were established as follows:

> "Because of the significant economic value of existing cultural enterprise and industry in Prince Edward Island it is desirable to review this sector of activity so that future growth potential can be ascertained and appropriate measures taken to foster development.
>
> This study must have an emphasis on the private sector, but should include all individuals and organizations whose activities demonstrate business development potential."

The Committee in carrying out the study will:

1) Create an inventory of existing and potential activity, identifying problems and perceived development opportunities,

2) Examine existing Government policies and programs which support this activity,

3) Propose changes in existing policies and programs,

4) Make recommendations to Executive Council that will give rise to new policy, and an improved environment for the development of cultural industries.

4. Committee Activities

In June, 1984 the Committee sent copies of its Terms of Reference and a Call for Submissions to 35 individuals, firms and organizations with a direct involvement or a strong interest in cultural industries on Prince Edward Island. A total of eight submissions were received and follow-up meetings were arranged to discuss the submissions in detail and clarify specific issues. Additional meetings were requested and held with groups which had failed to respond to the request for submissions.

During this same six month period, the Committee performed a survey of government programs in support of cultural industries and a survey of existing cultural enterprises in the province. The results of these surveys are summarized in following chapters.

Finally, the Committee reviewed the activities of other provinces and performed a literature search of key publications and government studies on this topic.

II. CULTURAL INDUSTRIES ON PRINCE EDWARD ISLAND: A BRIEF ANALYSIS

One thing is quickly apparent, that the cultural industries sector of the provincial economy is comparatively small, with one or two businesses accounting for the total activity in some areas. This has made statistical analysis and presentation difficult from the standpoint of assuring confidentiality. On the other hand, surprisingly little information is known about the craft industry, easily the largest cultural industry in number of firms, total employment, and earned revenues. It is important that a comprehensive impact study be undertaken of this industry. The Committee, therefore, was limited in its ability to carry out a detailed economic analysis. Nevertheless, a survey of 26 selected firms was carried out by the Department of Industry's Research and Analytical Services Section, and a useful, albeit cursory, profile of the cultural industries sector assembled.

1. Number, Type and Location of Firms

There were a total of 105 cultural enterprises conducting business in Prince Edward Island in 1984. Craft production shops and sales outlets head the list, followed by live theatres, then book and periodical publishing houses. A large percentage of non-craft businesses are located in Charlottetown, presumably to take advantage of central services and markets. In sharp contrast, the crafts industry is clearly decentralized throughout the province. Of 83 shops and galleries, Queen's County including Charlottetown accounted for only 19% compared to 34% in Prince County and 47% in King's County. Craftspeople seems to prefer a non-urban lifestyle and usually locate their shops near to their place of residence.

In addition, the 1981 Employers Survey indicates that the majority of cultural industry firms are relatively new, most having opened their operations since 1973.

TABLE 1 NUMBER OF FIRMS ENGAGED IN CULTURAL INDUSTRY, BY TYPE, 1984

TYPE OF INDUSTRY	NUMBER OF FIRMS	PERCENTAGE
Publishing	4	3.8
Film and Video	2	1.9
Sound Recording	1	.9
Crafts (Shops and Galleries)	83	79.0
Visual Arts (Galleries)	4	3.8
Performing Arts	8	7.7
Service (Provide service to Cultural Industries)	3	2.9
	105	100.0

2. Employment Trends

Employment in the cultural industries sector is surprisingly high, and as might be expected, fluctuates seasonly. Table 2 provides total employment, excluding crafts, during the peak and low months for 1980-1984.

TABLE 2 TOTAL EMPLOYMENT LEVELS, 1980-1984 (NON-CRAFT RELATED)

YEAR	PEAK MONTH EMPLOYMENT	LOW MONTH EMPLOYMENT
1980	434	139
1981	407	135
1982	416	149
1983	510	170
1984	469	141

In addition to the above figures, the Handcraft Section, Department of Industry, reports approximately 800 people, including part-time, self-employed producers, employed to some extent in the craft industry during the peak month of employment in 1982-1984, and 119 people employed in the low month employment during this time period.

There are, in total, more than 1200 people employed in the cultural industries in Prince Edward Island.

A significant difference exists in employment levels during the peak and low months. Table 2 indicates employment during peak month and low month followed the same trend between 1980-1984, with levels declining between 1980-1981, rising between 1981-1983 and falling again between 1983-1984. Year-round employment showed little change between 1980 and 1984. However, the total number employed during peak month and low month was higher in 1984 compared to 1980.

In 1984 on average there were 18 people employed per firm during peak employment and five people employed per firm during low employment. In 1984 three times as many people were employed in the peak month as compared to the low month.

Unfortunately, the employment levels recorded in the survey cannot be compared with census employment figures, as there is no separate Standard Industrial Classification for the cultural industries.

3. Production and Sales Levels

In gathering this data, each firm or business was asked to report the volume and value of sales produced in 1982 and 1983. Some firms reported their sales on a calendar year while others reported on a fiscal year, which must be taken into account when interpreting revenue from sales figures. Craft production estimates are based on surveys carried out regularly by the Handcraft Section, P.E.I. Department of Industry.

Total gross revenue from the sale of products increased by 57% between 1982 and 1983. The visual arts industry recorded the largest increase during this period, increasing by 159%, followed by the Film and Video industry, which increased by 133%. Performing Arts and Crafts produced the largest revenues and sales volumes of all the cultural industries, with a combined total of $4,648,891 or 81% of the total in 1983.

TABLE 3 VALUE OF PRODUCTION BY TYPE OF INDUSTRY, 1982-1983

TYPE OF INDUSTRY	1982 GROSS REVENUE FROM SALE OF PRODUCT	1983 GROSS REVENUE FROM SALE OF PRODUCT	PERCENTAGE CHANGE
Publishing	$ 427,387	$ 585,151	36.9
Film and Video	150,000	350,000	133.3
Sound Recording	5,000	5,000	0.0
Crafts (Shops and Galleries)	2,397,784	3,158,413	31.7
Visual Arts (Galleries)	22,788	58,934	158.6
Performing Arts	1,195,815	1,490,478	24.6
Service	57,295	64,361	12.3
	$4,256,069	$5,712,337	56.8

4. Other Features

1) Excluding the crafts industry, for which comparable data is unavailable, the **total revenue** from all other cultural industries in 1983 was $7,921,902. These total revenues include revenues from sales of products, as well as grants, donations and investments.

2) Of 25 selected firms who responded to questions on marketing, 76% said they had **marketing difficulties**, including insufficient market for products, as well as promotional and location problems.

3) The average percentage of **products purchased by Islanders** was 48% among the 25 firms selectively surveyed.

4) The majority of firms recorded a percentage of **sales off-Island**, and of those who did, 47% indicated at least 40% of their sales were off-Island.

5) The majority of revenue received by publishing, film and video, sound recording, and crafts was from the sale of products, while the highest percentage of revenue received by the performing arts and service businesses was from grants, indicating differing levels of **subsidization.**

III. CURRENT GOVERNMENT POLICIES AND PROGRAMS

1. Policy

Government policy in relation to cultural industries has been evolving on a somewhat piecemeal basis. Historically, the economic development agencies of both the Federal and Provincial Governments have tended to direct their emphasis toward primary producers such as farmers and fishermen, and secondary manufacturing and processing activities. The accepted standard definition of whether an activity is or is not "manufacturing" has been, and remains, the Standard Industrial Classification Code produced by Statistics Canada. When all else fails Federal and Provincial program officers tend to turn to the S.I.C. Code to determine client eligibility. Other than production craft studios, the majority of cultural industries such as publishing, film making, sound recording, etc. have not been considered under this definition to be manufacturing and have thus not generally been eligible for support.

The underlying rationale has been that primary and secondary activities essentially create new wealth and are thus deserving of public support (through government incentives) because offsetting revenues are generated. Service activities have tended to be seen as involving the recycling of existing wealth and thus less deserving of public assistance. They also tend to be less capital intensive.

In recent years a much more flexible approach has been taken, especially by the Provincial Development Agencies. For a number of years, service firms which directly support primary and manufacturing activities have been recognized as crucial to the success of these sectors and have been directly assisted. In addition, as the economic, and particularly the employment creating potential of the service sector has been demonstrated, service firms which derive the majority of their sales from "export" markets have also been assisted. The other recent development has been increased support for "import replacement" services where no similar services are available locally and dollars which previously "leaked" from the province would be retained.

Another fairly recent development has been the growth of incentives for tourist operators. Again these are service operations, but their role in attracting new "export" dollars to the province has been cited to justify the provision of a range of incentive programs, including facilities upgrading, expansion, marketing and loans.

The single most visible milestone for cultural industries in this gradual liberalization of provincial development programs came in October of 1983 when Industrial Enterprises Incorporated (now part of the P.E.I. Development Agency) received permission from Executive Council to expand its program eligibility to include "film and sound production and publishing" together with a number of other activities including the development of computer software (increasingly an activity of Canadian publishers).

The piecemeal nature of this process of program liberalization has been effective, but it has lead to a considerable lack of awareness and indeed confusion on the part of the private sector in terms of what activities can now be assisted by various agencies. The Committee found in almost every meeting held that the prospective cultural clients in attendance were not aware of the programs which are currently available to them. The demand for this study seemingly arose, at least in part, because of the lack of information available on current programs or lack of adequate promotion.

There is perhaps no better indicator of the Provincial Government's increasing support for cultural industries than the commissioning of this report and the prominence its announcement was given in the Speech From The Throne delivered on March 6, 1984. Further, the cultural industries are clearly highlighted in the Province's economic development strategy "Blending Tradition and Innovation" also tabled in the Legislature last March. The overall goal of economic development in the province is clearly conducive to cultural enterprise:

> "The goal of economic development is to stimulate growth in the economy of Prince Edward Island, thereby leading to more and better employment opportunities and higher incomes. Economic growth, however, will not be pursued in isolation from other important issues. There will be a proper balance with social cultural and environmental concerns. Specifically, the integrity of Island communities will be protected, continuing

> emphasis will be placed on the development of the primary resource base and economic development initiatives will be spread, as much as is possible, evenly across communities. Additionally, where industrial development is encouraged, the scale of such activity will be appropriate to Prince Edward Island to ensure the protection of the environment and quality of life."

Under the section on Industry/Business, cultural industries are specifically highlighted as a target for development. One of the steps to be taken is, "the encouragement of start-up of new business enterprises which will: ...provide labour intensive specialized employment opportunities appropriate to the Province, such as film making, crafts, educational or health enterprises".

While a clear specific strategy for the development of cultural industries does not exist in the province, there is a significant level of support reflected in Government policy statements and a progressive refinement and re-targeting of development programs.

In addition to this evolving support on the part of the province's development agencies, there are the activities of the Department of Community and Cultural Affairs. The renaming of the Department and the formation of a Cultural Affairs Division in 1980 was a clear indication of the importance placed on cultural activities by the Provincial Government. Under this Division cultural policies and programs are developed in the area of heritage and the arts, and funds are provided to Confederation Centre of the Arts, as well as to provincial cultural agencies including the P.E.I. Museum and Heritage Foundation, P.E.I. Council of the Arts, and Island Community Theatre, Inc.

Comparable "arts" funding sources have been in existence at the Federal level for many years. The following section on programs makes it apparent that there currently is no lack of programs available to cultural industries. Whether these programs are well co-ordinated and well targeted, however, can only be determined through a comprehensive review of program guidelines and criteria.

2. Programs

One of the first activities of the Committee was to create an

inventory of programs either directly targeted at or available to cultural enterprises (as defined in Chapter I). Summaries of each of these programs are contained in Appendix A.

This exercise created some surprises for the Committee. Over fifty programs were identified, both Federal and Provincial. After having been told on several occasions that there was very little assistance available to this sector, this result came as somewhat of a shock. It appeared at the outset that either the programs available were not targeted at the needs of this sector or they had not been very well promoted. In fact, both statements would appear partly true. A review by program category will serve to highlight specific issues.

a) **Facilities**

The primary agency involved in the provision of facilities is the Economic Development Division of the P.E.I. Development Agency (formerly Industrial Enterprises Inc.). Since October 1983, this agency has provided facilities to film and sound production and publishing enterprises. Prior to that date production craft activities were (and continue to be) assisted.

The two specific programs are the Industrial Mall Program in Summerside and Charlottetown and the Rental Incentive Program in all other Island communities. Under either program, subsidized rental space is supplied, with free rent in the first year and gradually reduced levels of subsidy over the next three years. Several cultural industry firms are currently availing themselves of these programs, but knowledge of the programs is not widespread.

In addition to rental subsidies, several programs are available to assist firms which intend to construct their own facilities. These are generally covered under "Financial Incentives" and "Loans", but the P.E.I. Development Agency also offers subsidized, serviced industrial sites in several communities, and other industrial parks run by Area Industrial Commissions offer similar arrangements.

Facilities for the performing and visual arts are supplied through quite different mechanisms. Most performing arts productions occur at public theatres (or private commercial establishments such as restaurants). There are now four major theatre facilities across the Island: the Confederation Centre of the Arts, King's Playhouse, Victoria Playhouse, and the Westisle Theatre. All of these facilities have received significant government (Federal, Provincial and Municipal) support for their construction and most receive operating grants from various agencies. Most are also generously supported by private patrons.

Considerable emphasis in past years has been placed on the construction or upgrading of facilities for the performing arts. Current proposals being discussed include a theatre facility in Summerside and an amphitheatre as part of the Water Theme Park adjacent to the Mill River Development. Even at present, the province appears reasonably well supplied with facilities. In fact, the indication given to the Committee on several occasions was that the emphasis should now be redirected to encouraging the development of cultural productions worthy of presentation to audiences.

Other than small operating subsidies, private theatres such as the Montage Dance Theatre are not assisted in terms of facilities. The same is true of art galleries which tend to be treated similarly to other retail establishments, with no provincial assistance provided.

b) **Financial Incentives**

Certain conditional operating grants are available from the Canada Council and the P.E.I. Council of the Arts for publishers, art galleries, theatres and some other activities. The majority of financial incentives, however, take the form of **project** grants.

Both the Canada Employment and Immigration Commission and the Department of Industry offer employment incentives of various kinds which are generally open to all employers. The P.E.I. Development Agency offers a wide range of grant programs open to film and sound

production, publishing and craft businesses. The Department of Industry offers small business forgiveable loans which can be accessed by certain cultural enterprises, and has a specific grant program in its Handcraft Development Division to assist with the purchase of craft production equipment. Other project funds can be obtained from the Department of Finance and Tourism (for festivals and events) and from the P.E.I. Council of the Arts, Canada Council, Department of Communications, Telefilm Canada and Secretary of State. Each program is described in detail in Appendix A.

Clearly, there is no shortage of programs, and in fact the opposite is true. The complexity of the various program offerings (and some of the submission requirements) may well have proven to be a barrier to access by smaller Island firms. Given this situation, perhaps the most important program available to this sector, and one which has apparently been underutilized to date, is the Venture Planning Service provided by the Community Economic Development Division of the Department of Industry.

Under this program, community resource workers are located in Regional Service Centres across the Province. These workers assist existing or prospective businesspeople in developing business plans and proposals and submissions to provincial and federal funding agencies. They assist clients in identifying which programs best suit their needs and can provide limited professional services to help prepare financial projections or other supporting documents. Business plans prepared would normally address markets, operations, financing and overall project feasibility.

c) **Loans**

In addition to private banks and the Federal Business Development Bank, which will normally lend money for any business venture which has well documented profit potential and is supported by sufficient owner equity, there are two provincial agencies which provide loan funds to cultural enterprises: The Provincial Lending Authority and the P.E.I. Development Agency.

The Provincial Lending Authority (PLA) has changed quite radically in recent years. It is still perceived by many to be a lender to farmers and fishermen or for activities only in rural areas. This is far from the truth. In recent years, P.L.A. has added tourism operators to its clientele and has added a Small Business Loan Program which is available to any small business operator in the province.

Craft activities are considered by P.L.A. to be tourism-related and are thus covered under its Tourism Loan Program which provides long term capital and working capital loans. Other cultural enterprises may be considered for assistance under the Small Business Loan Program, but may only receive long term capital, not working capital loans.

The P.E.I. Development Agency under its Manufacturing Term Loan Program may provide loan funds for buildings and equipment or for bridge financing to the eligible activities mentioned earlier (film and sound production, publishing and production craft activities).

A traditional problem in this sector has tended to be the low level of owner equity and the generally low values which lenders have assigned to inventories of cultural products such as books. This has made it extremely difficult for many cultural businesspeople to approach traditional lenders. The P.E.I. Development Agency has attempted to address this problem through instruments like Venture Capital Program and its new Small Business Equity Program. Interested prospective clients should contact the Economic Development Division of the Development Agency for details (see Appendix A for contacts).

d) Training

A wide range of general business courses are available to cultural businesspeople through the Federal Business Development Bank and the provincial Department of Industry's Human Resource Development Division (see Appendix A for details). In addition, technical workshops are sponsored by the Handcraft Development Section of the Department of of Industry, the P.E.I. Crafts Council, and other groups like the Great

George Street Gallery.

The primary source of technical training, however, is the School of Visual Arts. Unfortunately, the School has been encountering funding difficulties in recent years and has greatly reduced its extension activities. In 1977-78 the School offered 15 extension courses across the province. This was reduced to seven in 1978-79 and discontinued in 1980. The primary reason cited by the School was the expense of the courses. There has been a significant increase in night courses offered in Charlottetown, but the provincial extension activity is presently almost non-existent. The School of Visual Arts is covered in more detail in the next chapter.

The other major training programs are the National Institutional Training Program, funded by C.E.I.C. and delivered by the Department of Industry, and the Apprenticeship and National Industrial Training Programs, also funded by C.E.I.C. and delivered by the Apprenticeship Branch of the Department of Fisheries and Labour.

These programs have in the past not been used to their full potential to assist cultural industries. Several years ago initial discussions took place to have certain craft disciplines designated as "Apprenticeable Trades" so that candidates could access funds available under the Apprenticeship Program. A considerable amount of preliminary work was performed on developing an apprenticeship program for pottery, but apparently it did not receive sufficient support from the trade in order to be advanced. From the input the Committee received in its briefs and meetings it would appear the time may be right to resurrect this issue. There is an apparent need for an apprenticeship program in a number of "cultural trades".

e) **Marketing**

Marketing is the area where cultural industries are perhaps least well served by government programs; however, cultural businesspeople were almost unanimous in the emphasis they placed upon it. The Handcraft Section of the Department of Industry has some marketing

support programs for craftspeople, including support for promotional materials (bags) and printing of an index of Island craftsmen and crafts. The Market Development Centre (now the Marketing Division of the P.E.I. Development Agency, the major market supporting agency) however, has provided quite limited support to cultural industries.

The Market Development Centre was developed in order to address the pressing need of the many relatively small enterprises on Prince Edward Island for marketing expertise. Its emphasis to date has been toward primary producers, processors and manufacturers. While its sister Division (formerly I.E.I.) has expanded its eligibility criteria to cover a range of cultural enterprises, the Marketing Division apparently has not done so.

Limited assistance in the past has been provided to craft operators, but this has been almost the full extent of support to this sector. It is clear that cultural enterprises tend to bring significant "export" dollars to the province and they are certainly no less needy in terms of marketing expertise than other Island industries. A review of the Marketing Division's eligibility criteria and an adoption of the existing Economic Development Division (I.E.I.) criteria would greatly improve the level of service to cultural industries.

Limited marketing assistance is also supplied by the Department of Finance and Tourism to help promote certain performing arts activities and other facilities or activities which have a clear tourist attraction element. Listing in tourism promotional materials is also a worthwhile form of indirect marketing assistance.

3. Government Procurement

The Provincial Government has a purchasing policy which states that when price and quality are equal, all goods and services will be purchased locally. In fact, while there is no specific local preference policy as in some other provinces (these often range from ten to fifteen percent), provincial Departments will usually purchase locally even if prices are marginally higher.

As the capability of local cultural industries has increased over the last few years, the extent of government purchases has also kept pace. Some Departments and Agencies, however, should be singled out as having exerted special efforts to source local cultural products and services.

For a number of years, the Tourism Branch of the Department of Finance and Tourism has made special efforts to source locally. The services of Island writers and photographers have been used for many years and this year for the first time local sound recording and filmmaking firms were used to produce promotional materials. The Branch has developed a reputation for supporting local artists, media consultants, advertising agencies and cultural enterprises which goes far beyond its primary mandate for tourism promotion. This investment in supporting and encouraging local suppliers will clearly pay long term dividends and has already contributed significantly to making our Island tourism promotional materials some of the most appealing and professional of any in the market place.

As might perhaps be expected, the Cultural Affairs Division of the Department of Community and Cultural Affairs has been an active supporter of Island artists. Each year in excess of $20,000 is spent purchasing Island art for the Art to Senior Citizens Program and the Island Art Collection. These art acquisition programs, delivered with the assistance of Holland College School of Visual Arts, have a twofold effect of directly supporting visual artists while advertising their work through public exhibition.

Perhaps the clearest example of the value of locally targeted government purchasing for cultural industries is the new grade six Social Studies textbook being produced by Ragweed Press for the Department of Education. The primary reason for the Department hiring a local firm was its desire to obtain a high quality product with maximum local content.

Ragweed Press had no prior experience in educational publishing and the Department assumed considerable risks and extra financial costs in hiring them. It was felt, however, that the quality of the final product and the development of local capability for educational publishing were worth the risk and extra cost.

From all reports the exercise has been a success. The textbook, now being printed locally, is expected to be available soon and already teacher response has been extremely positive. While Ragweed apparently found the exercise not overly profitable, the experience gained has led directly to the firm becoming part of a regional consortium of publishers who have successfully tendered for a regional Grade Nine Atlantic Studies textbook for the Council of Maritime Premiers. Details of this project are included in Appendix B.

The Grade Six textbook example is a clear indication of how effective government procurement can be in terms of developing local service and production capabilities. A more concerted and co-ordinated local procurement policy for government Departments and Agencies could pay considerable short and long term benefits for both the suppliers and the users. Cultural enterprises are but one of the many business sectors which could benefit from such a policy.

IV. OPPORTUNITIES AND CONSTRAINTS

1. Publishing

The publication of trade books which are locally written and reflect local culture is a risky business in Canada. The dramatic rise of regional publishers in recent years is a reflection of an increasing desire on the part of Canadians to read and write about themselves. Most of these regional publishers are, however, very small and operate on marginal profits at best.

The markets for most locally-produced material are limited and small production runs lead to high costs and low margins. It is safe to say, however, that without regional publishers, likely only a small percentage of Canadian authors and Canadian books now in print would have been published. From a cultural perspective, regional publishers are extremely important. Unfortunately, they are also a risky investment.

Given the small size of the local market, Prince Edward Island would appear to offer a particularly difficult location for regional publishers. The fact that one local publisher has been able to stay in business (with very limited government support) for over ten years and has published 28 titles in that period is an indicator, however, that there are some significant strengths in the local market.

Local publishers face most of the problems of any small local industry, but there are also some unique problems and unique opportunities. The three most obvious problems are: 1) lack of working capital, 2) lack of marketing capability, and 3) lack of business management skills. The same list could equally well apply to almost every small industry on Prince Edward Island. A key difference is that many other industries have benefited from considerable government assistance to overcome these problems. Publishing has only recently been targeted for assistance.

Unlike other industries, each new book is essentially a new product, resulting in very significant product development costs. These

development costs must further be recovered over very short production runs. The cost of printing 2,500 books is much less on a unit cost basis than printing 500. However, many Island books only have a potential market of 500 copies.

A further problem is the working capital which is tied up in inventories of books. Even if the book in question would show a profit after all copies are sold, this may take considerable time and meanwhile the working capital is tied up in the warehouse. Similar problems exist in other industries but lenders will often value inventories of manufactured goods at much higher levels than is usually the case for books.

More agggressive marketing, both on-Island and off, could help move inventories more quickly and free up working capital. Unfortunately, marketing is also expensive and demands skills which are not generally available to Island publishers. Access to the marketing programs of the P.E.I. Development Agency would certainly help to overcome these problems.

As in many other small businesses, publishers tend to get into business because they have some background or interest in the field. In most cultural industries this means the proprietor has a background in the arts or other cultural activities, but this seldom means there is any business or financial background. Business management is becoming an increasingly complex discipline. Accordingly, the demands placed on cultural entrepreneurs, especially as their firms grow, have escalated. Cultural businesspeople (publishers, craftspeople, filmmakers, etc.) require management training courses geared specifically to the demands of their business.

While there many be some considerable challenges facing Island publishers, there are also some significant development opportunties, in addition to the production of local trade books. These include: periodicals (for both local and regional markets), trade books and other materials aimed at the tourist market, specialized publishing for national markets, educational texts and related materials, and educational software.

Several Island enterprises, including Walt Wheeler Publications, the P.E.I. Museum and Heritage Foundation and the Confederation Centre of the Arts, are presently publishing periodicals for regional and local markets. As mentioned in an earlier chapter, Ragweed Press has successfully completed a grade six Social Studies text for the P.E.I. Department of Education and, as part of the Maritext consortium, has received a contract to produce a grade nine Atlantic Studies text for the Council of Maritime Premiers.

The Atlantic Publishers Association has estimated that a $15 million annual market exists in the region for textbooks. In a recent submission to the Council of Maritime Premiers the A.P.A. projected that if $5 million of this total could be sourced locally, an additional 455 jobs would be created in the Atlantic Region. There would also be a considerable improvement in the quality of materials and regional content.

While these new regional development opportunities will undoubtedly prove more profitable, it is important that priority support be directed to the publishing of locally developed and consumed titles. These are not likely to be overly profitable ventures but their role in supporting Island culture is significant and worthy of support.

2. Sound Recording

The proliferation of the audio disc and cassette market in North America since 1970 has been quite phenomenal. The Canadian sound recording industry remains controlled by a few centrally-located, vertically-integrated multinational companies, and a second group of large independent producers. Moreover, the technological complexity of studio recording, necessitating highly-trained audio technicans and expensive, exotic equipment, has made this part of the popular entertainment industry extremely competitive.

However, a second level of activity exists with the smaller independent producers and studios, engaged in recording and promoting local artists and providing radio and television advertising for local

or regional markets. Indeed, as a result of rapid strides in the operating simplicity, portability, and affordability of multi-track recording equipment, smaller studios now find it possible to approach, if not equal, the quality of the larger companies. The cassette tape format offers great flexibility and masters are easily duplicated as the market demands. Of course, the availability of trained technical personnel seems to be the most important ingredient to any level of success in the sound recording industry, as is effective marketing and distribution of the finished product. Several regional firms, notably Audio Atlantic of Halifax, are enjoying commercial success.

A previous attempt to establish an industry-standard commercial recording studio in Prince Edward Island, competing nationally,and with name artists in the popular music field using its services, proved a costly failure. This project received considerable industrial support from the provincial government at the time. Nevertheless, several musicians in the province have quasi-commercial porta-studios in their own homes, producing demo tapes, and one local business, Smith Sound of Charlottetown, has recently established a modest but professionally-equipped recording studio at York Point. This fledgling operation has already produced demonstration tapes, a number of quality recorded commercials for radio and television, and a full-length cassette recording of a local gospel group.

Based on such experience, it is reasonable to project a limited growth potential for the recording industry here. Certainly, the popularity of longplaying recordings of traditional Prince Edward Island music produced by the P.E.I. Museum and Heritage Foundation, Caledonia Club, Saint-Thomas Aquinas Society, and others, points to a strong on-Island market for certain types of locally-recorded material. And local fairs, festivals, variety/talent concerts, etc. provide an accessible resource of talentthat could be captured for limited reproduction using portable equipment.

The P.E.I. Development Agency could lend additional support to this emerging cultural industry through its existing programs,

especially with regard to equipment acquisition and venture capital. The Committee was also told by the one producer interviewed that government procurement policies do not adequately reinforce his business.

3. Performing and Visual Arts

Second only to crafts, the performing arts (dance, musical and dramatic theatre) contribute most to cultural industry in Prince Edward Island, and like crafts, the performing arts is strongly linked to tourism development. For instance, what part of the provincial tourism economy is attributable to the Confederation Centre of the Arts and its Charlottetown Festival production of "Anne of Green Gables"? Taking into consideration the tourism draw effect, payroll and cash flow generally, together with spin-off benefits to Charlottetown area retail businesses, the Centre estimates its current economic impact to be about twenty million dollars annually. While difficult to measure precisely, it is evident that "Anne" the main stage musical is both cultural icon and economic resource, a splendid example of how art, in this case children's literature, can lead to economic development. Visitors to our province in the summertime come to see us as we are; indigenous cultural expression like "Anne of Green Gables" helps to convey our cultural personality to others.

Similarly, but on a much smaller scale, the two regional summer stock theatres at Georgetown and Victoria also assist provincial tourism and contribute to their respective local economies, while enriching the cultural life of all Islanders.

Professional dinner theatre, principally the Flyers, Prohibition and Governor's Feasts produced in three Island localities during the summer by a Summerside entrepreneur, has proven to be a successful commercial venture. The successful formula, once again, combines indigenous cultural content and commercial opportunity. Dinner patrons, usually tourists, are entertained with an originally-produced musical comedy based on a local historical theme, while they eat Island seafood. The Murder-Mystery Weekends offered lately by some resorts and hotels

represent yet another creative, though macabre, application of the performing arts to the hospitality industry.

The visual arts, including "cottage" activities like commercial printmaking, and commercial galleries, offer additional opportunities for small business development. The Great George Street Gallery, a local artists' cooperative, has demonstrated increasing success in exhibiting and marketing the work of its members, and sees potential in establishing an independent artistic print workshop with a storefront location, from which multiple copies of original art works could be produced and marketed principally off-Island. Holland College School of Visual Arts is discussed in a later section.

The performing arts industry faces particular limitations. Unlike other cultural enterprises, the volume of production is limited by the number of seats available, the maximum number of performances that realistically can be scheduled, and by what the public will pay for admission. This could be called a structural constraint to development. As well, professional theatres are generally expensive facilities to build and operate. Every firm consulted complained of high ongoing capital maintenance and fixed operating costs which preoccupy management and restrict overall business performance. This is especially true of Confederation Centre of the Arts, where plant maintenance and operating costs are ominous and represent a perennial threat to that institution's future.

Product conception and development is extremely important to the performing arts business, since residents and visitors alike tend to prefer attractions and cultural expression that relates to our country, indeed our region and province. Confederation Centre's mandate from one funding agency, the Canada Council, insists that an original Canadian musical be mounted each and every year to ensure blockfunding of the Charlottetown Festival. This is a laudable objective; however, funds to develop promising new scripts are always scarce.

Some performing and visual arts businesses receive assistance from government programs at present, notably Confederation Centre of the Arts. However, product development and training assistance, as well as additional funding to offset facility maintenance, is desirable. Possible opportunities identified for future growth include more cabaret and dinner theatre, an annual summer children's theatre festival at the North Shore, art workshops, and a regional performing arts school jointly developed and administered by Confederation Centre of the Arts and Holland College.

4. **Film and Video Tape**

There would appear to be significant potential for Island filmmakers in both the cultural and commercial markets. Video Atlantic, the only filmmaking firm in the province other than a few independent filmmakers, is presently active in producing commercial material such as advertisements and promotional films as well as "feature" productions for the C.B.C. and others.

The commercial film and video market is large and expanding. As all regional businesses become more sophisticated in their marketing activities the demand for visual promotional materials is decreased. The use of videotaped material is also becoming extremely widespread for a range of educational purposes.

As the number of accessible television channels has increased over the past few years, due to cable and satelite developments, the demand for material to fill the expanded programming time has also increased. The C.B.C. has adopted a policy whereby 50 percent of its program purchasers will be from independent film producers within five years. The combined demand for cultural as well as commercial film and video material is significant and there are very few economic reasons why that material cannot be produced on Prince Edward Island. In fact, our lifestyle, relaxed regulatory environments, and rich cultural resources offer ideal conditions. In addition, on location shooting of feature films and television programs could result in sizable benefits

to the local economy. Producers of rock videos, for example, search the world for dramatic natural settings. The Department of Tourism should continue to prospect for this business.

With the existing income tax incentives for investment in Canadian filmmaking and the relatively attractive grants available from Telefilm Canada, the filmmaking industry is less stressed for working capital than other cultural industries. There is still a need, however, for development funds, especially for Island productions, in order to develop a concept to the point where investor interest may be generated. As with publishing, it is more difficult to raise interest in local productions than in national productions with "name" writers or performers.

To date, the film industry has had excellent service from the P.E.I. Development Agency, with support for facilities, equipment, venture capital and marketing. The only noticeable constraints to further development would appear to be development money (particularly for Island productions) and the availability of training programs from filmmaking professionals. One suggestion from Video Atlantic was for an apprenticeship arrangement with Holland College. In general, however, filmmaking must be conceded to be the cultural industry which is best served by existing government programs.

5. Crafts

As indicated in Chapter Two, the Island's craft industry has grown over the last ten years to become a significant employer and revenue generator in the province. This growth has been due to many factors including, perhaps first and foremost, the emphasis of Island craftspeople on the quality of their products. Other factors include the support and encouragement of the Department of Industry and the staff and administration of the School of Visual Arts, and the existence of a strong P.E.I. Crafts Council.

There appears to be somewhat mixed opinions on the potential for continued market growth in this sector. Some of the more cautious

craftspeople interviewed felt that the sector had reached somewhat of a plateau with future growth prospects being quite limited. The more aggressive craftspeople, however, felt the market was just being tapped and that sales could increase significantly both on and off-Island. Without the time or resources to perform marketing studies, the Committee is hard pressed to comment on the market opportunties for traditional handcrafted articles. Taking the optimistic view, however, markets have continued to remain strong, and in fact grow in recent years, and there is no concrete reason to believe that they will not continue to increase, particularly if quality and innovation continue to be the areas of emphasis for the Island craft community.

A key issue for on-Island sales is the health of the Island's tourism industry. Craft sales are dependent to a considerable extent on sales to tourists during the summer. In fact, the P.E.I. Crafts Council indicated to the Committee that the tourist market was a big reason for many craftsmen choosing to locate on Prince Edward Island. The two sectors are today clearly sybiotic. As one flourishes, so does the other.

Most projections for Island tourism are for continued, if not terribly rapid, growth. There has also been a recent movement toward more targeted marketing activities and an increase in air travel and tour business. In general this should indicate a somewhat more affluent traveller with more disposable income than the traditional family visitors, thus offering larger markets especially for higher priced, high quality crafts.

The major concerns expressed by the Crafts Council were: 1) the need for more design assistance and training, 2) the need for more marketing assistance, 3) the need for better technical training, and 4) a general lack of sound business practises on the part of Island craftspeople. Given the historical emphasis on quality and marketing, these concerns should perhaps come as no surprise, with the possible exception of number four.

For some time, there has been a sort of "anti-business"

attitude on the part of many Island craftspeople. Craft activities have tended to be as much a lifestyle choice as they are a business. The Committee still found reticence on the part of some craftspeople to look at their activities in a completely businesslike manner. As an example, the small retail outlets run by most craftspeople tend to be somewhat inefficient from a business perspective, however, they are part of the lifestyle which most craftspeople value. (They also provide a highly desirable tourist attraction in many regions of the province).

While the P.E.I. Crafts Council strongly emphasized this lifestyle issue, the emphasis on sound business practices would appear to indicate that craftspeople are gradually adopting an increasingly businesslike attitude to their operations. From an economic development perspective this is a healthy trend.

As mentioned earlier, there was a specific recommendation made by the P.E.I. Crafts Council that apprenticeship programs be developed. A number of recommendations were also made about the training courses currently offered by the School of Visual Arts. In a number of areas it was felt the School is not presently adequately equipping its graduates to function as fulltime craftspeople. These areas are discussed in detail in the next section.

6. School of Visual Arts

The major training facility for visual arts activities in Prince Edward Island is the School of Visual Arts, which supplies courses on art, handcrafts, photography and commercial design. The School was preceded by the Provincial Handcraft Branch of the Department of Tourism which was established in 1963 and became a part of the present School of Visual Arts in 1977.

Since 1977 the School has provided a valuable focus for visual arts promotion in the province and has produced a significant number of practicing craftspeople and visual artists whose work can be seen across the Island. In recent years, however, funding constraints and lowering

enrollments in certain courses have created concerns over the future direction of the School.

The metal program at the School has already been dropped due to low enrollments and the leather program seems to face a similar fate soon. Pottery enrollments are also low and may present problems in the near future. In addition, the P.E.I. Crafts Council raised serious questions tc the Committee about the present curriculum at the School. Specific criticisms included a lack of design courses, antiquated equipment, and a lack of business training for future craft operators.

These and other issues were studied by a consultant during 1984 but unfortunately the report was never completed to the satisfaction of Holland College and it has not been released. A second study performed by Coles Associates was completed and submitted to the Committee but unfortunately it failed to deal with the curriculum issues noted earlier.

Another problem for the School has been the geographical dispersion of its programs. A proposal is presently before the Charlottetown Area Industrial Commission to move the School to a downtown Charlottetown site where all activities could be accommodated and related activities such as artists' workshops could co-locate. The Committee finds this to be an extremely exciting and worthwhile proposal, and if funding can be obtained it should certainly be given serious consideration.

The area which the Coles study did cover extremely well was the whole range of community development or extension activities that go on at the School in addition to the educational programs. While these activities are not directly a part of the primary educational mandate of the School, and not adequately funded by the School's existing funding sources, they are extremely worthwhile and important to the continued health and development of visual arts and craft activities on the Island. They include: 1) the Supply Store which handles a wide range of craft and art supplies not generally available on the Island, 2) the Gallery, 3) the craft resource library, and 4) workshop and equipment rentals.

These activities can most appropriately be characterized as industrial support activities and should not be funded by post secondary dollars. They should more properly be considered (together with extension workshops for practicing craftspeople and others) for industrial development funding.

While the centralization of the School's programs in one building would be beneficial, there is also a significant demand for extension courses in the rural areas of the province. A key strength of cultural industries is that they can, and do, locate in rural communities. A stronger extension effort is required if the training needs of these craftspeople are to be adequately served.

The Committee feels that the School of Visual Arts has a crucial role to play in realizing the full economic and cultural potential of craft and visual arts activities in Prince Edward Island. In order for this to happen the future direction of the School, including its curriculum, administration, location and funding, must be assessed. The Coles Report does not go far enough to permit key decisions to be made.

7. Related Activities

In the course of its research the Committee identified a number of small scale "cottage" type industries which could be fostered as a spin-off to existing museum and cultural activities. An example is the recently-established wood box plant which grew out of the interpretive activities at the Basin Head Fisheries Museum. The plan now employs three to four people on a full-time basis and has created much-needed employment in an area of high unemployment at a very low capital cost.

A number of similar projects were identified by the Committee, including a book bindery, a shingle mill, an art print shop, (already discussed in an earlier section) a bridle and harness shop, and a traditional boat building shop producing small traditional pleasure craft. Each of these involves a labour intensive, traditional craft which has significant interpretive value in addition to reasonably strong markets for its products. All of these of activities can function in rural communities and, in fact, likely function best in this environment. They clearly support existing tourism and museum programs.

These development opportunities should be examined in more detail and pursued in a co-ordinated fashion by the Department of Industry, local development agencies, local communities and interested groups such as the P.E.I. Museum and Heritage Foundation. In fact, heritage and museums, although not defined as a cultural industry in this study, is closely associated with provincial tourism development. Existing historic sites and local museums are in effect tourist attractions, if visitation statistics are measurements of worth, and the Committee feels that a separate analysis should be made of their economic impact.

V. RECOMMENDATIONS

1. That the Provincial Government continue its attempts to negotiate an ERDA sub-agreement or, at the minimum, a Memorandum of Understanding with the Federal Government on cultural industries and communications.

2. That the P.E.I. Development Agency, in consultation with the Island's cultural and artistic community, create a distinctive logo or other appropriate symbol which could provide a visual key to assist in marketing our cultural products.

3. That the eligibility criteria of the Marketing Division of the P.E.I. Development Agency be modified to include cultural industries.

4. That government procurement activities be more effectively targeted to support local cultural enterprises. This should also include a review of the purchasing policies of Crown Corporations.

5. That the Department of Finance and Tourism continue to support the marketing of local performing and visual arts activities.

6. That government, and other publicly-supported agencies, attempt to co-publish various materials with Island publishers whenever feasible, rather than supplying publishing services directly.

7. That the School of Visual Arts complete and publicly release a discussion paper on future directions for the School.

8. That serious consideration be given to the proposal to move the School of Visual Arts to a site in downtown Charlottetown where related activities could co-locate.

9. That a comprehensive study of the crafts industry be carried out.

10. That the Handcraft Development Section of the Department of Industry be transferred to the Community Economic Development Division and renamed the Cultural Industries Development Section. Activities of the new section should relate to the full spectrum of cultural industries rather than narrowly focusing on crafts.

11. Increased funding ($60,000) should be provided to this new section to cover the costs of expanding current programs, increasing the level of assistance under the present Handcraft Grant Program to $5,000 maximum (from the present $500 maximum), increasing funding for extension workshops, providing financial assistance for design services, and providing support to certain activities at the School of Visual Arts which are "industry" services rather than educational services, i.e., the store, workshops, space and equipment rental and the gallery.

12. That a new Cultural Product Development Program be approved for joint delivery by the Cultural Affairs Division of the Department of Community and Cultural Affairs, and the Department of Industry. This program should have a budget of $40,000 and provide up to $4,000 per project to cover developmental costs of new, significant Island cultural productions such as an important new Island book or play, an Island based and produced film or video production, sound recording, etc.

13. That a "Cottage" Industry Development Fund be approved for joint delivery by the Community Economic Development Division of the Department of Industry, and the Department of Community and Cultural Affairs. This fund of $40,000 should cover the costs of marketing studies and "seed" money required to launch community-based cottage industries with strong links to cultural and tourism activities.

14. The P.E.I. Council of the Arts should be encouraged to take a more aggressive role in fund-raising activities to support cultural projects.

15. The new Industrial Benefits Officer in the Department of Industry should have as part of his terms of reference the encouragement of local procurement of cultural products and services and should actively "prospect" for filmmaking and other major cultural projects to locate on Prince Edward Island.

16. That a concerted effort be made to have certain handcraft disciplines approved as "Apprenticeable Trades" and Apprenticeship courses developed jointly between the School of Visual ARts and the Department of Fisheries and Labour.

17. That a Festival of Island Arts and Culture be organized to showcase and promote the products and services of our cultural industries. This Festival should take place across the province and perhaps be funded partially through the Festivals and Events Program of the Department of Finance and Tourism.

APPENDIX A

Catalogue of Existing Municipal, Provincial and Federal Government Programs Available To Cultural Enterprises In Prince Edward Island.

DEPARTMENT OF INDUSTRY

Handcraft Development

1. Program Outline

The Department of Industry through its Handcraft Division provides an extension and support role to Island craftspeople, supplying a wide range of programs and services.

2. Form/Level of Support

In addition to the Handcraft Assistance Program and Annual Handcraft Exhibition and Awards, the Division supplies the following;

- An index of Island Craftsmen and Crafts
- Catalogue files on sources of Handcraft Supplies
- An index of craft sales outlets and shops
- The Annual Handcraft Directory
- An audio/visual education presentation: "Handcrafts on P.E.I." available on request
- Assistance with craft trade shows including the Atlantic Craft Trade Show
- A permenent collection of Island made crafts
- An identifying "H" Handcraft Logo
- Resource centre inputs of craft books and magazines
- Annual operating grant to the P.E.I. Craftsmen's Council ($25,000 in 1984)
- Packaging and labelling information; including the subsidization and supply of unique sales bags (budget $5,000 in 1984)
- On-going support to the School of Visual Arts, P.E.I. Craftman's Council and other related groups
- Judging off-Island
- Assistance for hiring photographers for shows, etc.
- Newsletters
- Sales surveys

3. Eligibility

Any Island Craftsperson or craft association may approach the Handcraft Division for advice or assistance.

4. Eligible Cultural Activities

All Island Craftspeople are eligible for the programs and services supplied by the Handcraft Division. Certain programs are restricted to full-time rather than part-time craftsmen.

5. Contact

Manager, Handcraft Development
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Annual Handcraft Exhibition and Awards

1. Program Outline

Each year the Department of Industry sponsors the Handcraft Exhibition and Awards in order to:

- Stimulate good designs by providing recognition for Island Craftspeople
- Develop craft articles that are symbolic and representative of Prince Edward Island so as to appeal to the ever-expanding crafts market and
- Increase the overall development, promotion and awareness of the craft industry

2. Form/Level of Assistance

The Department of Industry funds the hosting and promotion of the exhibition and provides cash awards to the winners ($2,350 in 1984).

3. Eligibility

Criteria for submission:

- Articles must not have been previously exhibited
- The object must present craftsmenship of the highest quality and a professional attitude to producing a piece of original design
- Anyone who has been a resident of P.E.I. for six months
- Student work is eligible if done outside the class
- Traditional themes which go beyond simple immitation
- Entries must have been produced within the last year

4. Eligible Cultural Activities

Any Island craftsperson may participate, within the eligible criteria stated above.

5. Contact

Manager, Handcraft Development
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Handcraft Assistance Program

1. Program Outline

The Handcraft Assistance Program assists craftspeople with the purchase of production equipment in an effort to update and expand handcraft operations located in Prince Edward Island.

2. Form/Level of Assistance

Financial assistance is in the form of a handcraft development grant. The minimum capital cost of any one project is $1,000, with a maximum of $5,000. The total grant for any one project is $500.

3. Eligibility

All applicants must demonstrate that craft production constitutes or will constitute their principal occupation during a minimum period of six months per year.

Craftspeople who hold full-time occupation other than craft production are not eligible for assistance.

Craftspeople applying for assistance under this program must reside in Prince Edward Island.

Applications for a grant must be submitted prior to the commencement of the project.

Eligible capital costs include production equipment costs only.

4. Eligible Cultural Activities

All full-time craftspeople in Prince Edward Island are eligible for this program.

5. Contact

Manager, Handcraft Development
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Power Conversion

1. Program Outline

The Power Conversion Program will assist manufacturers and processors in remote parts of the Province to obtain necessary power to operate facilities.

2. Form/Level of Assistance

The assistance will be provided in the form of:

1) Installation of Three-Phase power lines; or

2) Acquisition of generating equipment

The amount of assistance will depend on the location of the manufacturing or processing facility as it relates to availability of public utility lines.

3. Eligibility

All manufacturers and processors operating on Prince Edward who are currently without, and can demonstrate a need for, three-phase power.

4. Eligible Cultural Activities

Certain cultural industries which qualify as "manufacturing" activities are eligible to apply under this program. The Statistics Canada Standard Industrial Classification is used as a reference, however, the Department of Industry should be contacted directly for clarification of eligibility.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Licensing/Joint Venture

1. Program Outline

Financial and technical assistance is provided to manufacturers and processors to secure licensing agreements and/or joint ventures (usually with off-Island firms) in order to develop and produce new products.

2. Form/Level of Assistance

The Department of Industry may provide staff and financial assistance:

- To locate appropriate sources of new technology;
- To finalize agreements, including the provision of specialized legal and consulting services;
- When deemed necessary, royalty quarantees may also be provided during the first year of the agreement.

The level of assistance will be determined on an individual basis. All staff costs will be borne by the Department of Industry. Financial assistance will be cost-shared with the client.

3. Eligibility

Eligible clients must be processors or manufacturers located, or to be located in Prince Edward Island.

Only products that have an identified market will be considered.

The firm must demonstrate that it has, or is able to acquire, the necessary management capability and production facilities.

4. Eligible Cultural Activities

Certain cultural industries which qualify as "manufacturing" activities are eligible to apply under this program. The Statistics Canada Standard Industrial Classification is used as a reference, however, the Department of Industry should be contacted directly for clarification of eligibility.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Student-in-Industry

1. Program Outline

The Student-in-Industry Program is a student consulting/ employment program, whereby, small firms receive financial assistance to employ a junior or senior university business student for the summer months.

Students assist the businessperson by recommending solutions to present problems and by researching future opportunities. Students are able to call upon a liason professor from the University of Prince Edward Island School of Business Administration for technical consultation.

2. Form/Level of Assistance

Financial assistance will be in the form of a direct subsidy to those firms whose applications are approved. Payment will be made upon completion of the student's period of summer employment. The level of assistance is 50 percent of the student's salary to a maximum of $85 per week for a maximum of 14 weeks.

3. Eligibility

Assistance is available to all manufacturers, processors and service businesses in Prince Edward Island operating as sole proprietorships, partnerships or incorporated companies.

As the number of firms assisted each year is limited, preference will be given to those firms who have not previously participated in the program.

Eligible projects include management activities such as financial planning, general accounting functions, production design and control, marketing research and analysis and inventory control.

The job description provided by the applicant should indicate that the student's duties will result in substantial mutual benefits for both the student and the employer in terms of practical experience for the student and managerial assistance for the firm.

4. Eligible Cultural Activities

The majority of cultural industries would be eligible to apply under this program.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Tuition Assistance

1. Program Outline

The Tuition Assistance Program is designed to encourage owners and senior level employees of Island-based businesses to improve their management capabilities by reimbursing a portion of the costs of attending approved courses and seminars.

2. Form/Level of Assistance

Assistance is in the form of a direct grant to the business. Payment is made upon satisfactory completion of the approved course or seminar. The level of assistance for in-province courses and seminars is 50 percent of tuition fees. The level of assistance for out-of-province courses and seminars is 50 percent of tuition fees and 50 percent of travel costs. Maximum assistance per business per year is $500.

3. Eligibility

The Tuition Assistance Program is open to owners and senior level employees of all Island-based businesses.

The course or seminar for which assistance is requested must provide a direct contribution to the applicants' day-to-day management activities.

The course or seminar must be offered by a recognized educational institution or by a qualified instructor.

A person who is enrolled in a long term upgrading program, such as obtaining a degree, will not be reimbursed for more than three courses.

Assistance is also available for out-of-province management courses and seminars, provided a similar course is not available locally.

Courses of a technical, as opposed to a managerial, nature are not eligible for assistance.

4. Eligible Cultural Activities

The majority of cultural industries would be eligible to apply under this program.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Industrial Prospecting

1. Program Outline

The Industrial Prospecting Program is designed to assist Island businesspeople to identify and pursue new developmental investment opportunities in manufacturing, processing, and specified service industries.

2. Form/Level of Assistance

Assistance is in the form of reimbursement for approved travel expenses incurred by the potential entrepreneur in efforts to identify a new development opportunity. An applicant may also receive funds to contract the services of professionals in determining the viability of the project.

Up to 75 percent of the total costs of travel and consultants may be provided to a maximum of $15,000 for any single project.

3. Eligibility

Projects to be investigated must represent new development opportunities and must be within the manufacturing, processing or service (as defined under the Small Business Incentive Program) sectors.

The applicant must demonstrate the seriousness of his pursuit to determine a new production activity or investment opportunity.

The final eligibility of a project and the approval of eligible costs will be determined jointly by the Department of Industry and the Department of Regional Industrial Expansion.

Market identification and promotional activities are not eligible for assistance under this Program.

4. Eligible Cultural Activities

A number of cultural industries which fall under the "manufacturing" or "service" categories (as defined) are eligible to apply under this program. Any businessperson seeking to identify new development opportunities or investment should contact the Department of Industry directly for a determination on whether the project is eligible for assistance.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Industrial Services

1. Program Outline

Funds are available to assist Island firms to engage consultants and industry specialists to recommend and implement improvements to existing manufacturing and processing operations.

2. Form/Level of Assistance

The costs associated with engaging consultants and industry specialists are cost-shared on a negotiated basis.

3. Eligibility

All manufacturers and processors operating in Prince Edward Island are eligible.

4. Eligible Cultural Activities

Certain cultural industries which qualify as "manufacturing" activities are eligible under this program. The Statistics Canada Standard Industrial Classification is used as a reference, however, the Department of Industry should be contacted directly for clarification of eligibility.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2C00
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Industrial Research

1. Program Outline

The Industrial Research Program provides funds to contract consultants to research specific opportunities in the manufacturing and processing sectors, and to conduct detailed feasibility studies of such opportunities.

2. Form/Level of Assistance

Assistance is in the form of a direct grant payable to a professional consultant for approved projects. Maximum level of assistance is 75 percent of the cost of the work to be performed by the consultant.

3. Eligibility

The services of a consultant may be contracted jointly by the Department and the applicant as the result of a perceived opportunity identified by the applicant.

Opportunities to be investigated must be within the manufacturing or processing sectors.

Should the request originate from a private businessperson, the ability to implement those recommendations which might result from the consultant's report must be demonstrated.

Projects eligible for assistance under the Industrial Development Programs of the Federal Department of Regional Industrial Expansion (DRIE) will not be eligible for assistance under this program.

4. Eligible Cultural Activities

Certain cultural industries which qualify as "manufacturing" activities are eligible under this program. The Statistics Canada

Standard Industrial Classification is used as a reference, however, the Department of Industry should be contacted directly for clarification of eligibility.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Small Business Incentive Program

1. Program Outline

The Small Business Incentive Program is a financial assistance program aimed at encouraging the development or expansion of small businesses in the manufacturing, processing and service sectors.

2. Form/Level of Assistance

Financial assistance is in the form of an interest free Forgiveable Performance Loan. Levels of assistance are:

a) Modernization of existing operation - 25 percent of approved capital cost to a maximum of $5,000

b) Expansion of existing operation - 50 percent of approved capital cost to a maximum of $15,000

c) Creation of a new operation - 50 percent of approved capital cost to a maximum of $15,000

3. Eligibility

a) Project must involve modernization, expansion or creation of a new operation in the manufacturing, processing or service sector.

b) Project must involve a minimum capital cost of $5,000 and must not exceed $50,000

c) If the applicant has previously received funds under this program, the aggregate of proposed loans and/or portion of loans not yet forgiven must not exceed $15,000

"Service sector" for the purposes of this program means firms which are engaged in the i) provision of services to the primary industries of Agriculture, Forestry and Fisheries; ii) provision of

services to secondary manufacturing or processing industries; iii) provision of services which will be exported from P.E.I. and iv) provision of services which will replace imports to P.E.I.

4. Eligible Cultural Activities

A number of different cultural industries have been assisted under this program such as publishing, film making and craft industries. Questions regarding eligibility should be directed to the Department of Industry as noted below.

5. Contact

Industrial Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Management Training

1. Program Outline

Funds are provided to assist in covering the cost of a wide range of management seminars, workshops and courses designed to upgrade the management skills of Island businesspeople.

2. Form/Level of Assistance

Assistance is in the form of a reimbursement of actual costs to the organization which sponsors or co-ordinates a specific management training activity.

3. Eligibility

Applications for assistance are invited from educational institutions and from private industry associations. Individual businesses, while not formally organized as an association are also encouraged to submit requests for assistance.

The course, seminar or workshop for which assistance is requested must be designed for management and supervisory personnel and should concentrate on improving and/or upgrading the managerial skills of the participants.

Requests for assistance must include evidence that there is a sufficient number of private business people interested in attending the course, or an indication of how sufficient interest will be generated.

4. Eligible Cultural Activities

Any management or supervisory personnel from a cultural enterprise may enroll in courses offered under this program. Any cultural industries association or group of cultural businesspeople could sponsor and/or recommend that a specific course be offered, within the criteria of the program.

5. Contact

Adult and Continuing Education Section
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Provincial Wage Subsidy Program

1. Program Outline

This is a Provincial job-creation program which offers a financial incentive to employers to create additional employment within their establishments.

2. Form/Level of Assistance

The incentive offered to employers is in the form of a subsidy calculated at a rate of 50 percent of the employees weekly wages to a maximum of $80 per week for 10 consecutive weeks. Employers are allowed up to five subsidized positions in each program year.

3. Eligibility

All existing and new private sector employers who have or can obtain a Revenue Canada Taxation Number, and if applicable Workman's Compensation coverage. Non-profit organizations with less than 50 percent of their operating budget from government sources, Municipal governments, farmers and fishermen are also eligible.

Positions must be additional to the normal complement of positions within the employer's establishment. The nature of the work is at the discretion of the employer. Positions cannot be used to replace staff on leave or to fill vacant positions. Positions already funded by other Federal or Provincial programs are not eligible. Positions must not displace regular workers.

Employees must have been out of work for at least four weeks prior to their first day in the subsidized position. Employees must not be members of the immediate family. The employees must not be returning to school in the fall.

4. Eligible Cultural Activities

Any cultural enterprize would be eligible to apply for assistance under this program.

5. Contact

Manager, Employment Development Branch
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

DEPARTMENT OF INDUSTRY

Human Resource Planning

1. Program Outline

Staff of the Research and Planning Section of the Department of Industry provide employers or potential employers with information on human resource planning and the existing human resource base. Human resource planning involves identifying, for example, the number of people required by a firm, the skills and educational levels. Based on this information, appropriate human resource development programs can be identified.

2. Form/Level of Assistance

Assistance is essentially a consulting service provided by the staff of the Section. Resource materials such as the Human Resource Plan, Skills as the Key to Profits and Success and the Human Resource Plan Program Guidelines are available.

3. Eligibility

Any employer or potential employer may approach the Section for advice and assistance.

4. Eligible Cultural Activities

Any cultural businessperson could request assistance under this program in order to address human resource issues.

5. Contact

Research and Planning Section
Department of Industry
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-5445

P. E. I. DEVELOPMENT AGENCY

Sales Assistance

1. Program Outline

This program involves a number of different activities which are undertaken by the Marketing Division of the P.E.I. Development Agency on behalf of Island companies with the intention of procuring sales.

2. Form/Level of Assistance

Activities under this program include market negotiations, sales of surplus products, incoming trade missions, incoming buyers, market missions, market familiarization and market visits (staff). Levels of assistance vary depending on the activity, but in all cases there is a cost-sharing arrangement with the client concerned.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Product Development

1. Program Outline

This is a program aimed at assisting Island processors and manufacturers develop new product lines in order to increase production and expand markets.

2. Form/Level of Assistance

The Marketing Division will assist firms with market feedback on new products, consumer acceptance testing, product innovation and design, test marketing, government regulations regarding standards, quality control, packaging and labelling. The Division will also provide technical assistance on equipment selection and complete market research for new and improved products.

Levels of assistance vary depending on the activity, but in all cases there is a cost-sharing arrangement with the client concerned.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Market Research and Information

1. Program Outline

This program is designed to assist Island firms to increase sales of existing products and identify opportunities for new products in both domestic and foreign markets.

2. Form/Level of Assistance

The program includes the gathering and analysis of socio-economic data to establish a viable market plan, analysis of market size and sales potential, trade data, identification of strengths and weaknesses of competing products, distribution and cost analysis, changing patterns in the market place and the establishment of market expansion potential.

The market information program includes provision of short and medium term market reports, price forecasts, stock holdings and shipping conditions, consumer reaction, competition data and information on freight rates, tariffs, quotas, exports and assistance in applying for Federal and Provincial Incentive Programs.

Certain information is supplied free of charge. Where there is a cost incurred by the Marketing Division some level of cost-sharing on the part of the client is required.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Advertising and Promotion

1. Program Outline

The Advertising and Promotion Program is aimed at assisting Island firms in making more effective use of advertising and promotional expenditures.

2. Form/Level of Assistance

Staff of the Marketing Division provide direct assistance and financial support to clients in the following areas: use of public mass media, merchandising techniques, promotional materials, product demonstrations, commodity and product promotions and equipment demonstrations. Levels of assistance vary depending on the activity, but in all cases there is a cost-sharing arrangement with the client concerned.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Trade Shows

1. Program Outline

This program provides assistance to Island firms to attend shows in order to assist them in establishing and developing sales, sales contacts and market representatives in market areas both on and off Prince Edward Island.

2. Form/Level of Assistance

Assistance is in the form of financial contributions to the costs of booth space, displays, transportation and related costs and staff support. Cost-sharing of up to 75 percent of eligible costs may be provided by the Marketing Division.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Market Organization

1. Program Outline

The Market Organization Program provides assistance to commodity boards, primary producers, processors and manufacturers to form associations or consortia or other marketing organizations.

2. Form/Level of Assistance

A wide range of activities could occur under this program. Each application is judged on its own merit.

3. Eligibility

Eligible clients are noted under the Program Outline.

4. Eligible Cultural Activities

Under this Program a group of cultural businesspeople (who's activities qualify as "manufacturing") could form a marketing group or consortia.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Market Education

1. Program Outline

The Market Education Program consists of activities aimed at expanding the client's knowledge of the marketplace, modern marketing methods and techniques in order to increase the client's overall marketing capability and know-how.

2. Form/Level of Assistance

This program encompasses educational training, seminars, lectures, films and slide presentations, demonstrational tools, visits by experts, etc., which relate specifically to marketing matters.

For approved applications the Marketing Division will bear the full cost of tuition fees, educational material and economy air fare when appropriate. The applicant will bear the full cost of meals, accomodations and other miscellaneous costs. The maximum amount the Marketing Division will pay under this program is $1,500 per applicant.

The Marketing Division will supply staff and related materials for lectures, give film and slide presentations, etc. at no cost.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P. E. I. DEVELOPMENT AGENCY

Marketing Plans

1. Program Outline

This program provides the support required by Prince Edward Island companies to prepare and implement both short and long term marketing plans.

2. Form/Level of Assistance

Financial and technical assistance is available for:

- Preparation and implementation of marketing plans;
- The services of a marketing specialist to advise on appropriate strategies for achieving long-term objectives.

All staff costs are borne by the Marketing Division. Financial assistance will be cost-shared and negotiated between the Division and the client.

3. Eligibility

All Island primary producers, processors and manufacturers are eligible to apply under this program. The program will not normally be used to "top-up" assistance received from other government sources.

4. Eligible Cultural Activities

Those cultural activities which are normally considered to be "manufacturing" would be eligible to apply under this program. A number of craft businesses have received assistance under this program to date.

5. Contact

Marketing Division
P. E. I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: 566-4222

P.E.I. DEVELOPMENT AGENCY

Small Business Equity Program

1. Program Outline

Through the Small Business Equity Program, the Prince Edward Island Development Agency will purchase up to $100,000 in non-voting preferred shares in a small business to provide a source of financing without adding a debt burden to the small business. The small business will be expected to redeem the preferred shares within a five to seven year period. Small Business is defined as any business with less than 100 employees and no more than $5,000,000 in sales. The application approval will be based on:

- potential for substantially improved earnings;
- job creation potential;
- economic significance of the project to P.E.I.;
- future ability to redeem preferred shares on schedule;
- availability of budget funds within the Agency.

The objective of this program is to provide improved earnings opportunities for small business through provision of equity capital for expansion, or to bolster cash flow for underfinanced but promising start-up or expanding firms. This is accomplished by a reduced interest rate and elimination of the periodic principal payments required under traditional forms of debt financing. Preferred share investment provides the small business with the opportunity to acquire needed working capital without losing control of ownership of the business.

2. Form/Level of Assistance

The Agency may purchase up to 40% of the total equity in an approved project through redeemable preferred shares at a low dividend rate which may include a percentage of sales. Equity is defined as the net book value of assets or present market value, as determined by the Agency.

Preferred shares will normally be redeemable at the company's option at any time between the fifth and seventh year after issue on a predetermined formula based on either the net assset value of the company or its profit performance.

If not redeemed on schedule the dividend rate will increase to 20-25%. This encourages the company to redeem the preferred shares either through accumulated cash reserves or alternate financing.

In the event of an offer of purchase for part or the whole of the company's ordinary share capital, the Agency will have the option to convert its preferred shares into ordinary shares on specified terms;

3. Eligibility

Projects to be considered must demonstrate potential for significant earnings or earnings growth either through expansion, modernization or financial restructuring of existing business or establishment of a new business.

Eligible activities include:

- manufacturing, processing or industries offering services to manufacturing and processing;
- industrial research and development;
- computer software development, when in support of computer hardware manufacturing;
- controlled aquaculture and agriculture on a year-round basis in an environment outside the natural and traditional habitats;
- film and sound production;
- publishing, other than newspapers;
- tourism investments.

4. Contact:

Development Divison
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Pre-Venture Fund

1. Program Outline

The Prince Edward Island Development Agency administers a Pre-Venture program designed to encourage commercial exploitation of sound business ideas by providing grants to a business or entrepreneur who requires assistance to develop and prove their ideas for a new or expanding business. The scale of the grant for the individual project will be based on:

- market potential for the products or services to be offered;
- management ability of the entrepreneur;
- degree of personal and financial committment to the project by entrepreneur;
- estimated total financial requirements to bring the operation to commercial feasibility;
- availability of budget funds within the Agency.

The grant must be used for business development, otherwise it will be repayable.

The primary objective of this program is to develop new and expanded business on P.E.I. through providing grants to individuals or businesses to assist with costs of proving ideas and establishing a new business or expanding an existing business.

2. Form/Level of Assistance

The maximum grant will be $25,000 for any one project, although it is expected that most projects will qualify for amounts under $10,000. The project must be completed within one year from the date of approval. Grant levels will be decided based on project potential and availability of funds.

3. Eligibility

Grants will be available to sole proprietorships, partnerships, or incorporated companies for initial pilot or test operations leading up to the establishment at commercially feasible levels of new or expanded businesses in the following types of activity;

- Manufacturing or processing industry or industries offering services to manufacturing and processing;
- Industrial research and development;
- Computer software development operations, when in support of computer hardware manufacturing;
- Controlled aquaculture and agriculture on a year-round basis in an environment outside the natural and/or traditional habitats;
- Film and sound production;

- Publishing operations, other than newspapers;
- Small service businesses which represent the first of their kind in a community.

The new or expanded business must operate on Prince Edward Island.

Eligible costs include all reasonable out-of-pocket direct costs and overheads associated with the project, and may include:

- wages
- materials cost;
- professional fees;
- advertising;
- travel costs;
- rentals.

Payment will be made on receipt and approval by the Agency of invoices or approved budget for expenses to be incurred with receipts to follow.

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Venture Capital

1. Program Outline

The Venture Capital Program is designed to encourage the establishment of the venture capital companies (venture corporations) by the private sector, for the purpose of providing both capital and management assistance to the new and existing manufacturing and processing firms. Assistance will normally be in the form of a direct loan; however, under exceptional circumstances the Agency may acquire preferred shares in the corporation.

2. Form/Level of Assistance

The P.E.I. Development Agency will provide assistance to venture corporations in the form of a direct loan secured by a debenture. The term of the loan is ten years. The interest rate will be established at the time of the final advance of funds and will be at the Agency's prevailing lending rate. Subject to satisfactory performance interest will be forgiven as follows:

Year One	- 100 percent
Year Two	- 100 percent
Year Three	- 75 percent
Year Four	- 50 percent
Year Five	- 25 percent

The interest rate for the second five year period will be the Agency's prevailing lending rate in effect on the date that period commences.

Interest is payable quarterly.

Principal payments shall be made on a pro rata basis (based on the relationship of the public and private sector components in the original financial assistance package) as the venture corporation receives payment on the principal.

The balance of principal is due and payable at the end of the ten year term.

Assistance by the Agency may, where debt financing is not appropriate, be in the form of preferred equity participation.

The amount of assistance by the Agency will be determined as follows:

- Not greater than 50 percent of the financial assistance being provided by the Venture Corporation to the manufacturer or processor

- Not greater than $25,000 per job being created or being maintained by the manufacturer or processor

- Not greater than $1,000,000 on behalf of any one manufacturer or processor

- Not greater than $2,000,000 to any one Venture Corporation.

3. Eligibility

To be eligible for assistance from the Agency, the venture corporation must be registered in Prince Edward Island and must operate exclusively as a venture corporation in supplying capital and management services to small business enterprises.

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I DEVELOPMENT AGENCY

Rental Incentives to Industry

1. Program Outline

Leasing space in communities not now being serviced by existing industrial malls is available to manufacturers, processors, services to manufacturers and processors, and certain other activities as described under "Eligibility".

2. Form/Level of Assistance

Assistance under the program shall be in the form of an annual rental subsidy with a maximum term of four years payable on a monthly basis at a rate of 1/12 of the annual subsidy calculated as follows but not to exceed $3.00 per sq. ft. per annum for a maximum of 3,000 sq. ft.

Year One - up to 100 percent of annual rental
Year Two - up to 60 percent of annual rental
Year Three - up to 40 percent of annual rental
Year Four - up to 20 percent of annual rental

3. Eligibility

All new or expanding manufacturers, processors or services to manufacturers and processors, operating or intending to operate on Prince Edward Island are eligible for assistance under the program.

In addition the following activities are eligible for assistance under the program:

- Industrial research and development and computer software development when in support of computer hardware manufacturing
- Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats
- Film and sound production and publishing

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Investment Incentive Program

1. Program Outline

The Investment Incentive Program will encourage private sector investment in new or expanded manufacturing and processing facilities by providing grants to help offset the high cost of investment. The scale of the grant for the individual project proposals will be based on:

- Number of jobs created and maintained
- Amount of payroll

2. Form/Level of Assistance

Financial assistance will be in the form of a grant to the applicant. Payments will be made at the commencement of each year for a three-year period and be subject to adjustment based on actual performance.

The amount of the incentive grant is determined as follows:

- The grant for each job created or to be created will be based on 50 percent of the annual salary for each job at the time of initial commercial production. The maximum grant allowable is $8,000 per job and jobs with annual salaries of less than $8,000 will not be eligible for grants

- Jobs held by significant shareholders, proprietors, or partners are not eligible for grants

- The annual payroll during year three, excluding salaries of shareholders, must be at least twice the total amount of the grant portion that is related to jobs

- The total grant will not be greater than 50 percent of new capital investment in fixed assets

- The total grant for any one project will not be greater than $400,000.

The payment of the incentive grant shall be as follows:

- First payment of 50 percent after initial commercial production
- Second payment of 30 percent one year after initial comercial production
- Third payment of 20 percent two years after initial commercial production

Since the incentive grants are disbursed at the start of each period,

the payments shall be adjusted for actual performance at the end of each period. Payment adjustment may be made for eligible jobs on which the grant offer was based.

In situations where commercial production is commenced in clearly defined phases, each phase may be considered separately in respect to the incentives available under this program.

3. Eligibility

Assistance will be available to sole proprietorships, partnerships, or incorporated companies engaged in manufacturing and processing operations. Additional eligibility requirements are:

- The new or expanded manufacturing or processing facility and the eligible jobs must be located in Prince Edward Island
- The project must create a minimum of one job and must make a minimum capital investment in fixed assets of $50,000.

In addition the following activities are eligible for assistance under the program:

- Industrial research and development and computer software development when in support of computer hardware manufacturing

- Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats

- Film and sound production and publishing

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Manufacturing and Processing Term Loans

1. Program Outline

Term loans are provided to new and existing manufacturers and processors for the purpose of acquriing capital assets such as manufacturing and processing equipment and production facilities. Assistance many also be in the form of working capital for companies that export a significant portion of production off Prince Edward Island. Bridge financing related to approved Federal incentive grants is also available.

2. Form/Level of Assistance

Assistance in the form of term loans is available to new and existing manufacturers and processors for the purpose of acquiring capital assets such as manufacturing and processing equipment and production facilities.

a) In the case of new industries, loans may be approved for up to 75 percent of the capital cost of the project including bridge financing of Department of Regional Industrial Expansion incentive grants.

b) In the case of existing industries, loans may be approved for up to 100 percent of the capital cost of the project including bridge financing of Department of Regional Industrial Expansion incentive grants.

Term loans to manufacturers and processors are made on the security of fixed assets or, in the case of working capital loans, other appropriate security related to the reason for the requirement for working capital. The loan rate is fixed at 1 percent above the Province's long term rate and for a maximum term of five years. Amortization of the loan, however, may be for periods of up to 20 years. Equipment loans normally are amoritized over a period between two and ten years and, for land and buildings, over a period between ten and twenty years.

3. Eligibility

All manufacturers and processors operating or intending to operate on Prince Edward Island are eligible to apply for term loans. In addition the following activities are eligible for assistance under the program:

- Industrial research and development and computer software development when in support of computer hardware manufacturing.

- Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats.

- Film and sound production and publishing.

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Industrial Sites

1. Program Outline

Serviced industrial sites are available for purchase in the West Royalty, Parkdale and Summerside Area Industrial Parks.

2. Form/Level of Assistance

Industrial sites are available at a price based on a formula of appraised value less 25 percent or cost, whichever is higher. Land costs are established as follows:

	Per Acre
West Royalty Industrial	$ 16,000
Summerside Area Industrial Park	5,000
Parkdale	30,000

The approximate acreages available in the three industrial parks are as follows:

	Acres Remaining
West Royalty Industrial Park	50
Summerside Area Industrial Park	13
Parkdale	5

All locations are fully serviced industrial property.

3. Eligibility

All manufacturers and processors operating or intending to operate on Prince Edward Island are eligible to apply for the purchase of industrial land. In addition the following activities are eligible for assistance under the program:

- Industrial research and development and computer software development when in support of computer hardware manufacturing
- Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats
- Film and sound production and publishing.

Financing of the land purchase may be assisted under the Manufacturing and Processing Term Loan Program.

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Industrial Malls

1. Program Outline

Industrial mall spaces are available for lease to manufacturers and processors in the West Royalty and Summerside Area Industrial Parks.

2. Form/Level of Assistance

West Royalty Industrial Park

A multi-purpose industrial building and two industrial malls containing units ranging in size from 435 to 33,100 sq. ft. are available for lease.

Lease rates:

Year One	- $1.75 per sq. ft. (free to new businesses)
Year Two	- 1.75 per sq. ft.
Year Three	- 2.50 per sq. ft.
Year Four	- 3.25 per sq. ft.
Year Five	- 4.00 per sq. ft.

Summerside Area Industrial Park

A mall unit consisting of five production units is available for lease. Four of these units contain 4,035 sq. ft., the fifth is 5,970 sq. ft. in size.

Lease rates:

Year One	- $1.50 per sq. ft. (free to new businesses)
Year Two	- 1.50 per sq. ft.
Year Three	- 2.00 per sq. ft.
Year Four	- 2.75 per sq. ft.
Year Five	- 3.25 per sq. ft.

In addition to rent the tenant will be responsible for operating costs including light, heat, maintenance, taxes, etc.

The quality of the sites and facilities at both the West Royalty and Summerside Area Industrial Parks is high, with the landlord and tenant sharing responsibility for maintaining this standard.

3. Eligibility

All manufacturers and processors operating or intending to operate on Prince Edward Island are eligible for assistance under the program. In addition the following activities are eligible for assistance under the program:

- Industrial research and development and computer software development when in support of computer hardware manufacturing

- Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats.

- Film and sound production and publishing.

4. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P.E.I. DEVELOPMENT AGENCY

Small Business Development Corporation

1. Program Outline

A non-repayable cash grant is provided to investors to encourage formation of Small Business Development Corporations which will invest in eligible P.E.I.-based businesses. The cash grant is available to residents of P.E.I. (individuals or companies) and is calculated at 30% of the equity investment made by the investor in the Small Business Development Corporation. A chartered accounting firm has advised that the grant would be considered as a reduction of the cost base to the investor for the shares of the SBDC and not as taxable income.

Here is how it works. A group of investors, or a single investor, can pool their capital and form a Small Business Development Corporation (SBDC), a public or private company incorporated under the Canada or P.E.I. Companies' Acts and registered with the Prince Edward Island Development Agency (the "Agency").

SBDC investors must purchase equity (voting) shares of the SBDC. For providing this investment capital, SBDC investors receive a 30 per cent grant (to individuals residing on Prince Edward Island or to corporations paying Prince Edward Island Corporations Income Tax) from the Agency. To any one investor the maximum grant is $50,000 and the minimum grant is $500.

There is no limit on the amount of investment the individual or corporate investor may make in the SBDC but the total equity capital of each SBDC must be at least $25,000 by the end of the first year of registration. Investors may apply for additional grants as equity capital of the SBDC is increased.

As an SBDC is capitalized, 30 per cent of its equity capital must be deposited into a joint trust account held in trust by the SBDC for the SBDC and the Agency. The trust fund is usually established at a chartered bank or trust company and the manner in which the trust fund is set up is subject to Agency approval.

Monies can only be withdrawn from the trust fund with written authorization from the Agency. Approval is given when the SBDC invests in a eligible small business, at which time an amount equal to 3/7 of the investment can be withdrawn from the trust fund by the corporation.

The SBDC, which is similar to a holding company, must supply investment capital to an eligible small business by making an equity investment. The SBDC must purchase new equity shares (shares which carry voting rights) of the small business. A SBDC is limited to purchasing a maximum of 49 percent of the voting shares of a small business. Two or more unassociated SBDC's can together own up to 60 percent of the voting shares of any one

small business. Any one eligible small business cannot receive more than $5 million from any number of SBDCs. The SBDC can also supply managerial and technical expertise to the eligible small business.

By the end of its first year of registration, an SBDC must have 40 percent of its invested equity capital invested in eligible small businesses. By the end of its second year of registration, the SBDC must have 70 percent of its invested equity capital invested in eligible small businesses. For a period of one year thereafter, the SBDC must maintain at least 70 percent of its equity capital in eligible small business. Other SBDC assets may be in the form of loans to an eligible small business, monies on deposit at a chartered bank, and former eligible investments of the SBDC.

No distributions of SBDC funds to its shareholders may be made within three years of its registraiton which will reduce the invested equity in the SBDC. If these targets are not maintained the SBDC registration is revoked and the trust fund balance is repaid to the Agency and the Agency issues a claim against SBDC for amounts in excess of 30% of the trust fund invested in eligible projects.

Example A: (1) 10 investors put up $10,000 each to form a SBDC;
(2) The Province pays $3,000 to each investor;
(3) The SBDC sets up a trust fund of $30,000;
(4) Within the first year the SBDC invests $42,000 of its capital in small businesses - 3/7 from trust fund - $18,000, 4/7 from other capital - $24,000;
(5) No investments made in 2nd year;
(6) SBDC registration is revoked because 70% of its equity has not been invested within two years and the Agency receives $12,000 balance in trust funds. The Agency issued a claim against the SBDC for the $18,000 already taken from the trust fund for investment less 30% of the $42,000 eligible investment made in the first year, for a resultant claim of $5,400.

Example B: (1) 10 investors put up $10,000 each to form a SBDC;
(2) The Province pays $3,000 to each investor;
(3) The SBDC sets up a trust fund of $30,000;
(4) Within the first year the SBDC invests $42,000 of its capital in small business - 3/7 from trust fund - $18,000, 4/7 from other capital - $24,000;
(5) Within the second year the SBDC invests another $35,000: (Investments now total $77,000 or 77% of SBDC equity)
- 3/7 up to maximum of fund ($30,000) from trust fund - $12,000
- 4/7 or balance from other capital - $23,000;
(6) As income is earned by the SBDC it continues to invest in local projects without further grants from the Agency;
(7) The SBDC is monitored for compliance by the Agency for a three year period.

2. Eligibility

A small business may be eligible for SBDC investment if it:

* is a P.E.I. based corporation;

* has no more than 100 employees;
* has sales of under $5,000,000;
* pays at least 75 percent of its wages and salaries in respect of operations on Prince Edward Island;
* operates at arm's length of the investing SBDC;
* is primarily engaged in:
  - Manufacturing, processing or industries offering services to manufacturing and processing;
  - Industrial research and development;
  - Computer software development, when in support of computer hardware manufacturing;
  - Controlled aquaculture and agriculture on a year-round basis in an environment outside their natural and traditional habitats;
  - Film and sound production;
  - Publishing;
  - Tourism investments;
  - Small service businesses which represent the first of their kind in a community.

A small business is considered to be primarily engaged in a prescribed activity if, at the time of SBDC investment, more than 50 percent of its combined assets and wages and salaries are being used for the prescribed activity. If the small business is a start-up, it will be considered to be primarily engaged in a prescribed activity if it commences its activities, and meets the stated requirements within 12 months of the date of the SBDC investment.

3. Contact:

Development Division
P.E.I. Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I.
C1E 1B0

Phone: (902) 566-4222

P. E. I. LENDING AUTHORITY

Tourism Sector Loans

1. Program Outline

The Tourism Loan Program provides capital and operating loans to tourism related operators. Operating credit is provided to cover seasonal preparation costs prior to the start of the tourist season. Capital loans are provided for the establishment and/or expansion of tourist facilities, for the acquisition of existing facilities or for consolidation of existing debt.

2. Form/level of Assistance

No maximum level is set for loans under this program, or minimum. The maximum term for capital loans is 30 years. Interest rates on loans are determined from time to time and are based on the cost of money to the Lending Authority.

3. Eligible Cultural Activities

The Lending Authority has determined that craft industries are eligible under this program and a number of firms have received loans. It is also possible that certain performing and visual arts activities could be eligible but the P.L.A. would review these on an individual basis.

4. Contact

Prince Edward Island Lending Authority
Confederation Court Building
134 Kent Street
Charlottetown, P.E.I.
P. O. Box 1420
C1A 7N1

Phone: 892-4247

P. E. I. LENDING AUTHORITY

Small Business Loans

1. Program Outline

The Small Business Loan Program provides capital loans to small businesses for such purposes as debt consolidation, expansion, refurbishing, purchase of fixed assets, etc.

2. Form/level of Assistance

Loans extended under this sector must be secured by a first real property mortgage, or a first fixed charge debenture. Maximum loan limit is $350,000. Interest rates on loans are determined from time to time and are based on the cost of money to the Lending Authority.

3. Eligibility

For the purposes of this loan program small business is defined as a person, partnership or corporation having not more than 100 employees and annual gross sales of not more than $5 million dollars in the preceeding fiscal year.

Applicants must be based in the Province and in the case of corporations incorporated under the Companies Act of Prince Edward Island. Non-resident persons or partnerships, companies not incorporated in P.E.I., franchised owned operations, licensees, apartment rental operators, manufacturers and processors are not eligible.

4. Eligible Cultural Activities

Most cultural activities which could not be serviced by the P.E.I. Development Agency would be eligible to apply under this program. Craft activities are considered by P.L.A. to be Tourism related and are handled under their Tourism Loans Program.

5. Contact

Prince Edward Island Lending Authority
Confederation Court Building
134 Kent Street
Charlottetown, P.E.I.
P. O. Box 1420
C1A 7N1

Phone: 892-4247

PRINCE EDWARD ISLAND COUNCIL OF THE ARTS

Arts Assistance Grants

1. Program Outline

Grants from the P.E.I. Council of the Arts are intended to assist both individuals and organizations working in any of the arts disciplines.

2. Form/Level of Assistance

Grants are available in three areas:

a) Assistance grants for individual artists;

b) Assistance grants for arts organizations;

c) Travel/study grants (These grants are not intended for full time educational study).

A maximum ceiling is established for each type of grant. For 1984 the ceilings are as follows:

Grant a) $2,000;

Grant b) 5,000;

Grant c) 800.

Individuals and organizations may receive assistance within a one year period to the maximum stated above.

3. Eligibility

Any person who has been a resident on Prince Edward Island for a period of no less than one year from the date of application is eligible to apply for assistance. Applications will also be

considered from organizations that are based outside the province but have representation within the province. Acts disciplines include but are not restricted to, dance, literature, visual arts, environmental arts, music, crafts and theatre.

4. Eligible Cultural Activities

All activities funded under this program could be classified as cultural activities.

5. Contact

P. E. I. Council of the Arts
P. O. Box 2234
Charlottetown, P.E.I.
C1A 7L9

Phone: 892-8788

DEPARTMENT OF COMMUNITY AND CULTURAL AFFAIRS

Island Art Collection

1. Program Outline

The Island Art Collection program is administered by the Cultural Affairs Division, Department of Community and Cultural Affairs, in association with Holland College School of Visual Arts. It involves the acquisition of works by Island visual artists for public display and educational purposes.

2. Form/Level of Assistance

A single acquisition exhibition takes place annually, from which art works are recommended for purchase by jurors. The number of works selected for purchase in any year is limited by the program budget.

3. Eligibility

To be selected, art must be the work of an Island artist, acceptably framed and mounted, and clearly priced at the time of presentation.

4. Contact:

Cultural Affairs Division
Department of Community and Cultural Affairs
P.O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Telephone: (902) 892-0311

DEPARTMENT OF FINANCE AND TOURISM

Festivals and Events

1. Program Outline

The Festivals and Events Assistance Program provides assistance to community-based groups or associations in planning and developing festivals and events which will encourage visitation and provide for participation by the general tourist population. The program is intended primarily for ongoing programs which are held or to be held annually but others may be considered.

2. Form/Level of Assistance

Assistance will be provided for upgrading or expansion of festivals or events or for the introduction of new ones. Assistance may be available in the following forms:

a) Financial assistance in an amount not exceeding 50 percent of eligible expenses for existing festivals and events or 75 percent for new ones up to a maximum government contribution of $2,000.

b) Technical assistance in the development of promotional material.

The following may qualify as eligible expenses:

a) Capital contstruction or acquisition (eg. stages, equipment, building modification, lights, sound equipment);

b) Acquisition of props, decorations, costumes or the like that can be expected to have a minimum life of five years;

c) Expenses related to service for professional or qualified technical advisors;

d) Promotional expenses for a new festival or event or for an established one which is being significantly expanded or improved.

3. Eligibility

Only festivals and events which are operated by non-profit community-based groups or associations and which are likely to appeal to tourists are eligible. Normally only new or existing festivals and events that may offer major prospects for continuing growth are eligible.

4. Eligible Cultural Activities

Various activities in the performing and visual arts can and have received direct and/or indirect assistance under this program.

5. Contact

Department of Finance and Tourism
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-7411

DEPARTMENT OF FISHERIES AND LABOUR

Apprenticeship

1. Program Outline

The Apprenticeship Program provides persons with the opportunity to acquire the necessary knowledge and skills to earn a living working at a trade/occupation.

2. Form/Level of Assistance

The system provides a person with the opportunity to work side by side with an experienced tradesperson, to learn from this person and also to enroll in an in-school program to receive training that is not easily provided on the job site.

While attending in-school classes, apprentices are eligible for a training allowance or unemployment insurance benefits.

3. Eligibility

Employers wishing to enroll an employee in an Apprenticeship Program must have qualified trainers on the job site to supervise the apprentices. Apprentices to be enrolled must be at least 16 years of age and have completed Grade 10 or its equivalent. The trade in question must be an "Apprenticeable Trade" as determined by the Department and/or the Federal Government.

4. Eligible Cultural Activities

Certain cultural activities are presently covered under the "Apprenticeable Trades" list, but the number is very limited. The Apprenticeship Advisory Board is the group responsible for the list, however, and can be approached to add "trades" where there is a demand and where the training and testing criteria can be met.

5. Contact

Apprenticeship Branch
Department of Fisheries and Labour
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-3416

MUNICIPAL

AREA INDUSTRIAL COMMISSIONS

1. Program Outline

Many Island municipalities have decided to locally encourage economic improvement. Often municipalities found economic development is more pertinent to a service area rather then a municipal boundary. Consequently, they formed Area Industrial Commissions to be the entity a service area could mutually undertake economic development through. Area Industrial Commissions are directed by community leaders who seek to improve their area through opportunity identification, administering programs, establishing ventures, creating and managing infrastructure or influencing private/public resources towards development.

2. Form/Level of Assistance

Each of the Island's eight Area Industrial Commissions operate independently and get involved in different activities. The following information is illustrative of the nature of support, however, contact should be made with Commission Managers to determine their interest in specific projects.

- Commissions may sponsor make work programs offered by C.E.I.C. when the project will effect some measure of economic improvement to the community.
- Commissions may sponsor economic projects which rely on a coordinated funding approach from various government departments and agencies and which may require long-term debt financing.
- Commissions may prepare promotional material on their community.
- Commissions may undertake studies into economic opportunities.
- Commissions may hold industrial lands and buildings and make them available on a subsidized basis.
- Commissions may hold Community Economic Seminars.
- Commissions may enter into management agreements for the operation of community infrastructure.
- Commissions may give its endorsement to projects which will effect the community.
- Commissions may own and operate business.

3. Eligibility

Most approaches to the Area Industrial Commission will have to demonstrate the ability to improve the local economy and be viewed as desirable development by the Commission. Most approaches are for local versus provincial impact.

4. Eligible Cultural Activities

Any cultural activity that will improve the economy within an Area Industrial Commission district.

5. Contact

Contact may be made to any one of the following:

Jack Ready
Manager
Charlottetown Area Industrial Commission
P.O. Box 67 (115 Queen Street)
Charlottetown, P.E.I.
C1A 7K2
Phone: 892-1574

Gerald McCarville
Manager
Kensington Area Industrial Commission
P.O. Box 315
Kensington, P.E.I.
C0B 1M0
Phone: 836-4115

Gerald Arsenault
Manager
La Commission Industrielle De La Baie Acadienne
P.O. Box 28
Wellington, P.E.I.
C0B 2E0
Phone: 854-3014

James Hughes
Manager
Souris Area Industrial Commission
P.O. Box 628
Souris, P.E.I.
C0A 2B0
Phone: 687-3408

Jack Balcom
Manager
Greater Summerside Area Industrial Commission
P.O. Box 196 (Summer Street)
Summerside, P.E.I.
C1N 4Y8
Phone: 436-3887

John Morse
Manager
Three Rivers Industrial Commission
P.O. Box 1500
Montague, P.E.I.
C0A 1R0
Phone: 838-2992

Rick Ozon
Manager
West Prince Industrial Commission
P.O. Box 278
Alberton, P.E.I.
C0B 1B0
Phone: 853-2181

Ed Mason
Chairman
South Shore Industrial Commission
c/o Mr. Dean Shaw
Shaw & McCabe
P.O. Box 2401
Charlottetown, P.E.I.
C1A 8C1

Bill Buell
Manager
Community Economic Development
Department of Industry
P.O. Box 2000
Charlottetown, P.E.I.
C1A 7N8
Phone: 892-5445

Rick Beaton
Community Development Officer
Department of Regional Industrial Expansion
P.O. Box 1115
Charlottetown, P.E.I.
C1A 7M8
Phone: 566-7446

DEPARTMENT OF COMMUNICATIONS (FED)

Special Program of Cultural Initiatives

1. Program Outline

The special Program of Cultural Initiatives provides financial assistance to Canadian, non-profit cultural organizations, in support of special projects and activities.

2,3 Form/Level of Assistance/Eligibility

The Program has four components.

Component I: Projects promoting and developing the innovative use of new communications technologies in culture and the arts.

Eligibility

a) Proposal may be submitted by Canadian professional non-profit cultural organizations who can demonstrate that a project is beneficial and feasible, and that its results can be applied to their continuing activities and operations at an affordable cost.

b) Financial support from three of the following sources must be demonstrated:

i) the federal government (other than SPCI)
ii) the provincial government (s)
iii) the municipal government (s)
iv) the private sector
v) earned revenues

Component II: Management development in the performing arts.

This component is divided into two areas:

A. Assistance to management development projects
B. Capital assistance for the purchase of computerized hardware to promote improved management.

Eligibility

a) Canadian professional non-profit cultural organizations of a service or umbrella nature may submit proposals. In exceptional cases, individual organizations may be considered eligible.

b) Applicants requesting capital assistance for the the purchase of computerized hardware must:

i) demonstrate that at least 50% of the project costs have been raised from other sources, and
ii) that the equipment will improve administration and management.

Component III: Capital Assistance Towards Facility Feasibility and Construction.

Eligibility

a) Applicant must be a Canadian non-profit incorporated organization or a municipal or regional government;

b) The construction or renovation of the facility or the the pruchase of the equipment must have a direct and immediate bearing on the provision or the improvement of facilities for both the public and artist involved.

c) The applicant must demonstrate a provincial or territorial commitment to cost sharing of the project;

d) The applicant must confirm the funding services available to meet the operating costs associated with the project.

Component IV: Special Cultural Acitivites of National Character or Significance.

Eligibility

a) Applicant must be a Canadian non-profit organization either principally involved in artistic activity and cultural events or ready to undertake a commitment to devote a significant portion of a national event to artistic and cultural endeavors. Eligible events must take place in Canada and could include:

i) national or international conference of a cultural nature;
ii) national artistic or cultural competitions;
iii) cultural component of a national or international activity or event, such as amateur sporting competitions or non-cultural conferences.

b) the proposed activity must have significant participation from at least three provinces or territories

4. Eligible Cultural Activities

Most professional performing and visual arts, museum and heritage organizations are eligible to apply under SPCI.

5. Contact:

(SPCI)
Department of Communications
300 Slater Street
Ottawa, Ontario
K1A 0C8

Angela Bourgeois
Department of Communications
Terminal Plaza Building
P.O. Box 5090
1222 Main Street, 7th Floor,
Moncton, New Brunswick
E1C 8R2

Phone: (506) 388-6505

DEPARTMENT OF COMMUNICATIONS (FED)

Capital Cost Allowance/Canadian Film and Videotape Certification

1. Program Outline

The Capital Cost Allowance plan provides a tax incentive to investors who supply financing for film production, possessing a substantial Canadian content. The process of certifying productions as Canadian is administered by the Canadian Film and Videotape Certification Office of Department of Communications. The authority and criteria governing the program are found in the income tax regulations of Revenue Canada.

2. Form/Level of Assistance

Fifty percent of the amount of capital cost allowance can be deducted in the year of acquisition, with the remaining amount to be deducted in the scond year.

Certification is attained in a series of five separate applications.

3. Eligibility

Only productions certified by the Canadian Film and Videotape Certification Office can claim the 100 percent capital cost allowance. To be certified, a production must meet the following basic criteria:

a) a feature production (motion picture film or videotape of not less than 75 minutes running time), or short production (film or tape of less than 75 minutes running time).

b) the producer (s) must be a Canadian citizen, and all individuals fulfilling producer-related functions must be Canadian.

c) for feature productions, the production must earn six units of production or "points" based on the following key people qualifying as Canadian:

Director - 2 points
Screen writer - 2 points
Highest paid actor - 1 point
Second highest paid actor - 1 point
Head of Act Department - 1 point
Director of Photography - 1 point
Music composer - 1 point
Picture editor - 1 point

Notwithstanding the above, at least one of the Directors or Screen writer and at least one of the highest paid or second highest paid actors must be Canadian.

d) the "point system" described above does not apply (to) for short productions.

e) for features, at least 75 percent of salary expenditures incurred in production and for post-production work must be made to Canadians, and at least 75 percent of processing and final preparation costs must also be paid in respect of servcies provided in Canada by Canadians.

f) for shorts, at least 75 percent of the aggregate of all costs of producting the film or tape must be paid to, or in respect of services provided by Canadians.

4. Eligible Creative Activities

All Canadian producers of features and short films, and their investors.

5. Contact:

Canadian Film and Videotape Certification Office
Cultural Industries Directorate
Department of Communications
365 Laurie Avenue West
Room 1634
Ottawa, Ontario
K1A 0C8

Telephone: (613) 593-4371

DEPARTMENT OF COMMUNICATIONS (FED)

"Telefilm Canada"

Canadian Broadcast Program Development Fund

1. Program Outline

The Canadian Broadcast Program Development Fund provides financial assistance to appropriate film production companies and independent producers towards the cost of planning, developing and producing high quality Canadian television production.

2. Form/Level of Assistance

The fund may participate in a project under three forms of financial activity:

a) equity
b) guaranteed loan
c) loan guarantee or a combination of the three

The Fund will charge a minimum administration fee of $1,000. on its financial participation. The level of assistance depends on individual project assessment.

3. Eligibility

a) to be eligible, a producer must obtain a letter of intent to broadcast (i.e. distribution) from a Canadian television broadcaster before the Fund will consider an application;

b) producers must be Canadian citizens or landed immigrants;

c) projects will satisfy the following criteria;

i) must fall within the categories of drama, children's programming or variety;
ii) must be appropriate for broadcast between 7:00 p.m. and 11:00 p.m.;
iii) high quality, attractive to peak viewing audiences and, where appropriate, internationally attractive;
iv) conforms with Canadian Association of Broadcasters Code of Ethics;
v) project produced on film or videotape;
vi) stand-alone program or a series;
vii) new productions only.

4. Eligible Cultural Activities

Telefilm Canada responds to the needs of any private or all-Canadian

program producers.

5. Contact:

Canadian Broadcast Program Development Fund
Telefilm Canada (CFDC)
Montreal, Quebec

Mr. Bill Niven
Suite 1205
1505 Barrington Street
Halifax, Nova Scotia
B3J 3K5

Telephone: (902) 426-8425

DEPARTMENT OF COMMUNICATIONS (FED)

Book Publishing and Development Program

1. Program Outline

The Book Publishing and Development Program provides financial incentives to Canadian publishers to increase their presence in Canadian and foreign markets, with preference given to firms possessing a proven record of ability and enterprise.

2. Form/Level of Assistance

The Program has eight components, each with its own specific criteria and rules of eligibilty:

a) Sales and Marketing Assistance is provided in proportion to the relative sales volumes of non-educational books achieved by applicants over the financial year. Level of assistance is determined in part by sales and regional factors.

b) Canadian Textbook and Related Learning Material Assistance permits publishers to market their products at more competitive prices with a view to ending the displacement of Canadian textbooks by foreign publications. The criteria for assistance are the same as for Sales and Marketing Assistance.

c) Company Analysis and Implementation Assistance allows publishers to study the financial and managerial weakness in their companies, and take action to remedy such weakness. Assistance is awarded on a cost-shared basis. The government contribution is 60 percent of all costs, with a maximum annual contribution to any one firm of $25,000 for Company Analysis and $50,000 for Implementation.

d) Feasibility Project and Implementation Assistance assists publishing companies to achieve economies of sale in such areas as production, manufacturing, marketing, warehousing or distribution. Although some projects may be funded entirely by government, in most cases, the government will pay 60 percent of the costs of a feasibility study and 60 percent for implementation.

e) Professional Development Assistance: Industry associations may receive financial assistance for 90 percent of the cost of implementing professional development programs. In addition, publishers may receive funds contributing to the cost of staff members attending courses or seminars.

f) Research and Documentation Assistance allows the industry to collect and analyse reliable statistical data on their operations in order to help individual firms, industry associations and governments to make rational and effective planning and operational decisions. Assistance is provided on a cost-shared basis.

g) Foreign Rights Marketing Assistance provides help to publishers wishing to participate in international book fairs.

h) Export Marketing Assistance aids publishers in their promotional efforts to expand the export market for Canadian books.

3. Eligibility

Generally, the following criteria apply to publishers seeking assistance under any component of the Book Publishing and Development Program:

1. Firm whose principal activity is book publishing.

2. Controlled by Canadian or landed immigrants and is 75% Canadian owned.

3. University presses and private sector non-profit publishing houses are eligible.

4. Publishers must have 15 Canadian authored-titles in print, at least four of them published in each of the previous two years.

5. Minimum of 75 percent of their Canadian-authored titles must be manufactured in Canada.

6. Sales of the applicant in the previous year must have attained a certain level ranging from $50,000 to $100,000 depending on their location and the language of their market.

7. Program assists only publishers whose net revenue before tax from their book publishing operations did not exceed 10 percent in the previous year.

8. Book is defined as a non-periodical publication, bound in cloth and paper and, except for children's books, having at least 48 pages.

4. Eligible Cultural Activities

All activities assisted under this program could be considered cultural activities.

5. Contact:

Canadian Book Publishing Development Program
Cultural Industries Division
Arts and Culture Branch
Department of Communication
365 Laurier Avenue West
Ottawa, Ontario
K1A 0C8

Telephone: (613) 593-4237

Ms Angela Bourgeois
Communications Development Officer
Department of Communication
P.O. Box 5090
1222 Main Street
Moncton, New Brunswick
E1C 8R2

Telephone: (506) 388-6505

DEPARTMENT OF COMMUNICATIONS
CANADA POST CORPORATION (FED)

Concessionary Postal Rate Subsidy Program for Publication Mail

1. Program Outline

This program offers second class postal rates to newspapers and periodicals. Preferential postal rates have been offered to these publishers for over 100 years. Special rates are also offered to book publishers, distributors, and retailers. These have existed since 1968. Libraries, on the other hand, have benefitted from a discount rate for books since 1939.

Until 1978, the program had been the sole responsibility of Canada Post, but, in that year, policy and fiscal responsibility for preferential postal rates was transferred to the Minister responsible for publishing policy (Department of Communications).

The program's main objective is to make published material more accessible to the reading public both in terms of price and actual physical access to a product.

2,3 Form/Level of Assistance/Eligibility

The total budget of the Concessionary Postal Rate Subsidy is as follows:

1983-84	$53,000,000
1984-85	55,650,000
1985-86	57,876,000
1986-87	60,191,040
1987-88	62,598,681

The amount budgeted under the program in any year is an estimate of the postal deficit which can be directly attributed to the policy of reduced rates.

Detailed subsidy rate and eligibility information is available on request from Canada Post or Department of Communications.

4. Eligible Cultural Activities

Canadian newspapers, periodicals, and book publishers, book distributors and retailers, and libraries.

5. Contact:

Application for registration of a publication as second class

mail is made on official application forms obtained from local and/or district postal authorities.

SECRETARY OF STATE (FED)

Writing and Publications (Sub-Program)

1. Program Outline

This program offers financial assistance in support of writing and publishing projects which reflect and help to foster appreciation for the cultural/racial diversity of Canadian Society.

2. Form/Level of Assistance

Grant assistance is available for writing and publishing projects, excluding the following items:

* capital costs
* purchase of copyright/legal rights
* rental of facilities, office space, etc.
* expenses relating to the publication of regular issues of periodicals, newsletters and newspapers.

Levels of assistance vary according to the individual project.

3. Eligibility

Writing, translation and publication projects which contribute to the promotion, development and maintenance of the concept and reality of the cultural diversity of Canadian Society, are eligible under the Program.

The following may apply:

a) organizations representing members belonging to particular ethnocultural groups or communities and/or voluntary agencies which can demonstrate the support of such groups.

b) individuals

c) Canadian-owned publishing houses (on a projected deficit basis)

4. Eligible Cultural Activities

Writing and Publishing projects.

5. Contact:

Donald Arsenault
Secretary of State
Charlottetown, P.E.I.

Telephone: (902) 892-0188

THE CANADA COUNCIL (FED)

Writing and Publishing Programs

1. Program(s) Outline

The Canada Council provides assistance to individual publishing houses through the following programs: Block Grants, Project Grants, Aid to Periodicals, Translation Grants, International Translation Grants, the Book Purchase Program, and Promotion Tours. To receive assistance under one of these programs, publishers must meet the following basic eligibility requirements:

2. General Eligibility Criteria:

A. Eligibility of Publishers

a) the house must be majority-owned by Canadian citizens;
b) book publishing must be the primary, non-peripheral or occasional, activity of the house;
c) the house must have at least four eligible titles in print and be committed to a continuing and sustained book publishing program;
d) the house must have a demonstrated editorial capacity;
e) the house must have identified its audience and developed a distribution strategy to reach that audience.

B. Eligibility of Titles

The following categories of books are ineligible for assistance:

a) directories, index compilations or bibliographies of minimal critical content;
b) travel guidebooks;
c) instructional or self-help books;
d) cookbooks;
e) catalogues or exhibits;
f) commissioned industrial or business histories;
g) books not written by a Canadian citizen;
h) books which do not comply with the UNESCO definition (49 pages), with the exception of children's books, which must have at least 24 pages;
i) books for which the author does not receive a royalty;
j) books not manufactured in Canada, except in the case of international co-editions;
k) books which contain advertising other than publishers own promotional material;
l) books designed primarily for an education market;

m) books to which the author has made a financial contribution toward publication costs;
n) books written by a principal in the company originating publication;
o) books written within the house or books which are largely compilations of articles;
p) normal reprints of ongoing titles.

3. Form/Level of Assistance/Sub-Program Eligibility

A. Block Grants and Project Grants

Block grants and Project grants offset publication deficits on books which make an original contribution to Canadian literature or identify and address public concerns in Canada. Block grants, awarded once a year, provide a single grant for a publisher's program of eligible titles. Project grants, awarded throughout the year, offset publication deficits on individual titles. A publisher who is eligible for a Block grant is automatically ineligible for Project grants.

To qualify for a Block grant, a publishing house must meet the Eligibility of Publishing criteria described above, and must have at least 16 eligible Canadian titles in print in its active booklist.

The amount of each Block grant is determined by an assessment of the publisher's program as a whole. This process takes into account both the quantity and the quality of the titles published. A publishing house applies its Block grant, at its own discretion, to publication deficits on eligible titles published during the year.

To be eligible for a Project grant, a publisher must meet the Eligibility of Publisher criteria. Once submitted to the project grant program, a publisher may submit manuscripts at any time of the year.

Budget limitations and increasing demands have made it necessary to apply a ceiling on the amount of each Project grant. Canada Council may not be able to assume the full amount of the deficit.

B. Aid to Periodicals

In this program, Canada Council offers grants to help offset the cost of a periodical publisher's forthcoming yearly publishing schedule. It supports the publication of periodicals which serve as outlets for artists and writers (fiction, poetry, drama, or literary criticism) or which provide reflective or critical commentary on the visual or performing arts in Canada. Children's periodicals are also supported.

The basic eligibility requirements are as follows:

a) the publication must be majority-owned by Canadian citizens;
b) the arts or literature in Canada must be an important and regular, not occasional or peripheral, editorial preoccupation of the periodical;
c) the periodical must be publicized at least twice a year;
d) the publisher must have published at least three single issues before applying for a grant and must be committed to a continuing and sustained periodical publishing program;
e) the periodical must have a demonstrated editorial capability and financial responsibility;
f) the publisher must have indentified the audience for the periodical and developed a distribution method to reach it.

Certain categories of periodicals are ineligible for assistance:

a) bulletins, newsletters or house organs which publish material directed primarily to their membership;
b) trade periodicals;
c) periodicals distributed free of charge on a regular basis;

C. Promotional Tours for Canadian Books and Periodicals

To be eligible for this program, a publishing house must have been admitted to the Council's Block Grant or Project Grant program. A periodical must be eligible for the Council's program of aid to periodicals.

The work must be promoted by the author or magazine editor. In the case of a co-authored work, both authors can participate but only if they travel to different places. Editors of anthologies are not usually eligible.

The financal contribution is either: 1) the actual travel expenses of the touring author or magazine editor; or 2) his living expenses up to $50 a day for a maximum of 15 days..

Publishers of certain prize-winning works may receive financial assistance to promote them, up to 50 percent of the total costs to a maximum of $2,000.

D. Book Purchase Program

Under this program, the Council purchases books by Canadian authors from publishing houses admitted to its Block Grant or Project Grant program. Qualifying publishers submit their most recent annotated catalogue for title consideration.

E. Translation Grants

These grants to eligible publishers assist the translation of

books by Canadian authors from one offical language into the other. In fiction, poetry, drama and children's literature, assistance is also available for translation of books by Canadian authors from a language other than French or English into one of the official languages.

The grant is based on the number of works to be translated.

Assistance is also available to professional theatre companies who are willing to translate plays for stage productions.

F. International Translation Grants

This program offers assistance to foreign publishers for translation of works by Canadian authors into a language, other than French or English for publication abroad. The works of Canadian writers of poetry, fiction, drama, books for children and young people, and serious non-fiction are eligible.

Assistance is based on the rate in force in the foreign publisher's country.

4. Eligible Cultural Activities

Canadian publishers.

5. Contact:

Writing and Publication Section
The Canada Council
255 Albert Street
P.O. Box 1047
Ottawa, Ontario
K1P 5V8

Phone: (Toll Free) 1 800 267-8282 (no longer available)
Ottawa: 237-3400

SECRETARY OF STATE (FED)

Canadian Studies Program

1. Program Outline

The Canadian Studies Program is designed to encourage Canadians to learn about Canada through the programs and efforts of national voluntary organizations, non-governmental organizations and groups, private sector companies and corporations, and individuals. It consists of a range of sub-programs having their own eligibility criteria, and offering financial assistance to the applicant.

2. General Eligibility Criteria

a) Activities should have a national or international application or reference.

b) Projects should be conducted in both official languages when appropriate.

c) Federal financial support is to be visibly acknowledged by the project funded.

3. Form/Level of Assistance/Sub-Program Eligibility

A. Print Learning Materials Development Program (Priority One)

This program offers support for the development costs of print learning materials in the following SPECIFIED PRIORITY CONTENT AREAS:

* Canadian social and political studies
* Studies of the Canadian economy
* Studies of Canada as a northern nation
* Professional Education Canadian case studies
* Canadian cultural studies
* Science curriculum in a Canadian context, especially the history of Canadian science and technology, and environmental studies.

Funds are available up to a matching dollar basis (50/50) to Canadian owned publishing companies or to professional organizations involved in these fields.

B. Film and Audio-Visual Learning Materials Developmental Program (Priority Two)

Program offers support for the preparation and production of film, audio-visual and audio learning materials in the SPECIFIED PRIORITY CONTENT AREAS noted above.

Funds are available up to a matching dollar basis (50/50) to Canadian-owned film producers, or to professional organizations involved in these fields.

C. Marching of Private Sector Support for Canadian Studies (Priority Three)

This program is designed to encourage greater private sector, (foundations, and corporations) support for Canadian studies. Support, on a matching dollar basis, up to a ceiling of $25,000 per project, is available on an application basis. Matching funds are not automatically available. Projects must be assessed in their usual fashion consonant with overall CSP objectives.

4. Eligible Cultural Activities

Privately-owned companies and professional organizations involved in the produciton of Canadian learning materials.

5. Contact: (for more detailed information)

Canadian Studies Program
Department of the Secretary of State
Ottawa, Ontario
K1A OM5

Telephone: (613) 997-1544

CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (FEDERAL)

Canada Works

1. Program Outline

The Canada Works Program is a job creation program of the Federal Government aimed at creating productive immediate jobs in periods of economic difficulty, or temporary disruptions in the labour market.

2. Form/Level of Assistance

Participants will be paid at least the minimum wage rate but not more than the prevailing local rates for similar work.

Total program contribution toward project costs including wages will not exceed an average, per project, of $325 per work-week with a ceiling per work-week of $125 for costs other than wages.

3. Eligibility

Canada Works should be especially attractive to the private sector because the program places a priority on activities which support economic recovery and employment growth. The private sector can use the program for activities, such as modernization or expansion, which are other than regular ongoing production.

The program offers funds for projects normally creating three or more full-time jobs lasting between six and 52 weeks.

Businesses, communities, organizations, individuals and government bodies are eligible to apply for funding to get needed work done.

Federal and provincial departments or agencies can act as project sponsors if they designate third parties to serve as actual employers. Minicipal projects qualify for support unless prohibited by the province.

The activities supported will reflect community priorities in the broad context of regional and national economic development.

Employers submit proposals for Canada Works projects to their nearest Employment Development Branch office. They must provide assurances of competent management and effective financial control, and that the proposed activities can be completed within the specified time period.

It must be shown that the jobs specified in the proposal could not have been created without the funds requested in the application. No existing employee can be displaced as a result of a Canada Works project.

Projects will be considered in the light of their potential impact on local economic development, benefits to the community, and the employer's willingness to hire applicants from groups receiving special consideration from the Canada Works program.

Participants must be unemployed and must be referred to a Canada Works project by their local Canada Employment Centre (CEC). In referrals for jobs, priority is given to those who have been unemployed for eight weeks or more and whose unemployment insurance benefits have expired, to social assistance recipients, to laid-off workers who are receiving U.I. benefits, and to members of those communities designated under other federal assistance programs.

Special consideration is given to hiring of youth, women, Native people and disabled persons.

4. Eligible Cultural Activities

This program is generally available to any private employer as well as public or community employers.

5. Contact

Employment and Immigration Canada
199 Grafton Street
P. O. Box 8000
Charlottetown, P.E.I.
C1A 8K1

Phone: 566-7719

CANADA EMPLOYMENT & IMMIGRATION COMMISSION (FED)

LEAD Corporations

1. Program Outline

LEAD program takes aim on areas of slow growth and chronic high unemployment. It provides funds to create new jobs keyed to local development and economic stimulation.

To achieve its objectives, it creates local development corporations and invests in projects that meet the community's own economic development priorities, generating new employment opportunities for its citizens.

A LEAD corporation is a community-based, non-profit business-led organization. It provides counselling services and technical assistance to local residents to help them establish new businesses or expand existing ones, and supplies information on available financial support. It can also provide loans or take equity positions in local business projects which will produce new employment opportunities.

On P.E.I. there are two LEAD corporations; one in the West Prince area and one in the Three Rivers area.

2. Form/Level of Assistance

Assistance may be in the form of a business loan or the Corporation may take an equity position in the venture. Either of these forms of support cannot exceed $25,000 per business.

Counselling services are also offered to businesses.

3. Eligibility

Local boards establish eligibility criteria. The following points are normal considerations a board makes; however, for exact criteria the local corporation Managers should be consulted.

- Proposals must be for business ventures
- Proposals must be within the corporation's boundaries
- Proposals normally can't justify startup or expansion without LEAD corporation involvement

- Loans are of last resort, client can't get regular financing from bank or credit union
- Board views the proposal as not competing to the detriment of existing firms in their area
- Proposal has a strong likelihood of financial viability
- Client demonstrates enough management ability to handle his proposition.

4. Eligible Cultural Activities

Any entrepreneur is eligible to apply under this program.

5. Contact

Contact may be made to:

Frank Butler
Employment Development Branch
Canada Employment & Immigration Commission
P.O. Box 8000
Charlottetown, P.E.I.
C1A 8K1
Phone: 566-7717

John Cain
Manager
West Prince Ventures
Bloomfield, P.E.I.
C0B 1E0
Phone: 853-3030

Harry MacConnel
President
Eastern Ventures & Development Corporation
Georgetown, P.E.I.
C0A 1L0
Phone: 652-2265

CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (FEDERAL)

National Institutional Training

1. Program Outline

The National Institutional Training Program is funded by the Canada Employment and Immigration Commission. The training program is operated in partnership with the Prince Edward Island Department of Industry. Institutional training involves the purchase of courses from community colleges and vocational schools.

Various types of training are provided through the program such as skill training (providing trainees with entry level skills training in a particular occupation or courses designed to upgrade or update a person's skills in an occupation such as welding), apprenticeship training (the classroom training aspect of the Provincial Apprenticeship Program) and basic training for skill development (courses designed to upgrade skills in mathematics, science and communication).

2. Form/Level of Assistance

Full-time trainees receive either a training allowance or Unemployment Insurance and may also be eligible for other allowances to assist with dependent care or certain travelling or commuting expenses.

3. Eligibility

Only unemployed workers are eligible for full-time training. Part-time training is made available to employed workers. On the job training can be supported through the National Industrial Training Program, providing the training meets the guidelines for the program.

4. Contact:

Manager
Adult and Continuing Education
Department of Industry
P.O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: (902) 892-5445

CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (FEDERAL)

National Industrial Training

1. Program Outline

The Federal Government through this program, provides funds to assist in covering the cost of training new workers and upgrading existing employees on the job site.

2. Form/Level of Assistance

If the training project conforms to program guidelines and training priorities, employers can be reimbursed for training costs and trainee wages through a contract with the Canada Employment and Immigration Commission (CEIC).

For the direct training costs you may be paid:

- Up to 100 percent of instruction fees
- Up to 100 percent of training aids such as text books and expendable tools
- Up to 75 percent of course fees when training is contracted out to the public or private institution
- Up to 50 percent of special travelling and living expenses incurred by workers during training
- Up to 75 percent of course development costs.

The National Industrial Training Program is divided into two components. General Industrial Training Program and Critical Trades Skills Training.

In general, for up to one year under General Industrial Training you may be reimbursed for 50 percent of your trainee's wages, up to a maximum of $250 a week per trainee. In some cases, the reimbursement rate exceeds 50 percent. For example, you may receive:

- 75 percent of the wages of women training in nontraditional jobs, such as computer technicians or crane operators
- 85 percent of the wages of trainees who need special help to find and keep a job

Under Critical Trades Skills Training, where skills are in short supply, you may be paid for up to two years:

- 75 percent of the wages of women training in highly-skilled non-traditional jobs such as tool and die making and computer programming
- 50 percent of the wages of other trainees during the first and second year of high-skill training.

3. Eligibility

All employers, groups and incorporated associations of employers are eligible under the Program. Provincial and municipal Governments and those agencies which are financed primarily from tax revenues are normally not eligible.

4. Eligible Cultural Activities

A number of cultural activities would be eligible to apply for assistance under this program. For clarification of eligibility contact the local Canada Employment Centre or the Department of Fisheries and Labour as noted below.

5. Contact

Apprenticeship Branch
Department of Fisheries and Labour
P. O. Box 2000
Charlottetown, P.E.I.
C1A 7N8

Phone: 892-3416

CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (FEDERAL)

Job Corps

1. Program Outline

Under this program funding is offered to private businesses, volunteer agencies, charitable organizations and individuals and community groups to organize Job Corps projects aimed at providing the employment disadvantaged with the skills and motivation they need to join the regular work force. Job Corps is closely linked with the Career Access Program in its support of human resource development.

2. Form/Level of Assistance

Project funding includes wages for participants and administrative staff, as well as contributions toward operating costs.

In most cases, projects can be broken down into two phases: Developmental and Operational.

Up to $50,000 is available during the Developmental phase, for a period of up to six months, during which project plans are developed and their feasibility determined.

Funding during the Operational phase, during which approved project plans are implemented, will not exceed $350,000 per year.

Both phases, combined, must be completed within a period of three years.

In addition, up to $30,000 over the life of the project may in certain circumstances be available for the purchase of equipment and supplies essential to an approved project.

3. Eligibility

Funding is available to businesses, volunteer agencies, charitable organizations, community groups and individuals for projects aimed at providing employment opportunities for the disadvantaged.

Employers:

- They will be drawn from organizations, businesses and individuals in the community
- Municipalities and school boards are eligible, subject to provincial government approval

Job Seekers:

- Referrals to Job Corps projects will be made through Canada Employment Centres and other agencies, from among those with physical or mental handicaps, inadequate training or experience or other disadvantages.

Proposals:

- Competent management must be provided by project organizers
- Proposed Job Corps activity cannot compete unfairly with existing services or businesses available in the community, and no existing workers can be displaced or replaced.
- Support for Job Corps projects from other sources is encouraged.

4. Eligible Cultural Activities

Any employer is eligible to apply under this program.

5. Contact

Employment and Immigration Canada
199 Grafton Street
P. O. Box 8000
Charlottetown, P.E.I.
C1A 8K1

Phone: 566-7719

CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (FEDERAL)

Career Access

1. Program Outline

Career Access is a program to help employers hire and provide valuable work experience to people who face severe difficulties in finding work.

It does that by providing a wage subsidy for employing people who want to work, who have been seeking work but who have particular problems in getting a job.

2. Form/Level of Assistance

a) The Youth component of Career Access provides employers with a wage subsidy of up to 50 percent for up to six months to employ them on-the-job. The period of on-the-job learning and work experience is designed to fit the workers' entry into the world of work.

b) Disabled people often have trouble getting hired. They can do the job but they need a chance at it. Career Access can offer wage assistance at higher rates for longer periods of time to employers to hire, to train on-the-job and to provide them with continuing employment. Career Access can provide financial assistance for essential aids to work including special equipment, work place restructuring, etc.

c) Career Access also provides employers with wage assistance for other long term work seekers who traditionally have particular difficulty in finding jobs - workers with social or cultural barriers, and workers joining the labour force after a prolonged absence.

Subsidies are generally paid at the rate of 50 percent of gross wages, to a maximum of $15,000 per employee. In exceptional cases, the subsidy can go to 85 percent.

Smaller employers (i.e. up to 10 employees) are limited to two subsidized positions at a time; others, up to 20 percent of the total number.

Maximum subsidy periods are 52 weeks for non-students; 18 weeks annually for up to three years for students.

Under certain circumstances, a maximum of $10,000 may be paid to provide facilities or equipment for disabled persons.

In addition to other payments, up to $80 weekly may be paid to non-profit or charitable organizations.

Financial assistance is also available to community groups to help deliver the career access program.

3. Eligibility

Any firm, organization or individual in business for six months or more may participate in Career Access. Smaller employers (i.e. up to ten employees) are limited to hiring two eligible workers at any one time; others up to 20 percent of the total number of regular employees at the place of employment.

Those eligible to receive a wage subsidy include:

- Youth who are unable to get a job, particularly those who lack work experience
- Youth and others with post-graduate qualifications who have left school and who are unable to find work in an area appropriate to their post-secondary occupational qualifications
- Disabled or disadvantaged people
- Men and women returning to the work force after a prolonged absence
- Older workers who have been permanently laid-off, under certain specified circumstances

Proposals:

Requests for Career Access assistance must meet certain criteria:

- Ordinarily, the job offered must provide full-time employment
- Personal services to the employer are excluded
- Except in the case of students, there must be reasonable expectation of continued employment beyond the subsidy period
- No existing employee can be displaced
- Employment provided to students must be related to his or her studies
- Employment paid solely by commission or so-called "piece work" is excluded

4. Eligible Cultural Activities

Any employer is eligible to apply under this program.

5. Contact:

Employment and Immigration Canada
199 Grafton Street
P.O. Box 8000
Charlottetown, P.E.I.
C1A 8K1

Phone: (902) 566-7686